



City of Carson, CA

Request for Qualifications No. 22-003Q - internal control and position control audit

June 14, 2022



EXHIBIT NO. 3

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Baker Tilly is responsive, interactive and produces the results they say they will. We are very pleased with the services they provide and consider **Baker Tilly a leader among accounting and advisory firms.**

– Controller



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1. Company certification and personnel verification

June 14, 2022

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Purchasing Manager
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Carson CA 90745

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Baker Tilly is excited about the prospect of serving the City of Carson, California (the City) by providing internal control and position control audit services. Based on our history of service to similar municipalities and our understanding of your needs, we are confident we are the right fit to support the City by providing an internal control and position control audit of the City's Accounting Division. Our proposal meets your request for qualifications (RFQ) requirements and describes our unique value proposition for how we plan to enhance and protect value while meeting your key objectives, which include

- Assessing policies and procedures of the Audit Division related to year-end closing, month end, CIP tracking schedules and other relevant activities
- Developing an internal audit program work plan review
- Identifying needed trainings for staff members
- Developing a workflow management system to properly track performance and position control
- Reviewing and assessing analytical activities, identifying areas for improvement and introducing leading practices

Benefits of working with Baker Tilly include:

The right firm

The City will benefit from our best-of-both-worlds solution that pairs the technical qualifications, technology tools and expansive resources of the largest firms with the responsive service, personalized attention and proactive communication of smaller firms.

The right experience

Our firm is structured around industry-specialized practice groups, allowing us to provide focused training and continuing education to our team members. Our understanding of your industry, paired with targeted experience, will help you thrive now and as you evolve.

The right team

Your team includes technical and industry-specialized team members who understand your organization requirements, challenges and opportunities. You will receive a tailored approach designed to meet your needs and exceed your expectations.

The right value

We provide high-quality service for a fair and reasonable fee. Our significant level of partner and manager involvement translates into a responsive, efficient engagement and the ability to deliver value throughout the year.

The City of Carson, CA
June 14, 2022

The City will be a valued client of Baker Tilly, and I will be personally involved in all aspects of our relationship, from planning through completion. As a Principal of the firm, I am authorized to contract on behalf of Baker Tilly, and my contact information is included below.

Thank you for the opportunity to make tangible contributions to your success. Our team is excited to earn your trust, and we look forward to discussing your questions and feedback.

Sincerely,



Kyle O'Rourke, MPA, CIA, CRMA, CGAP, Principal
Baker Tilly US, LLP
+1 (312) 228 7248 | kyle.orourke@bakertilly.com

General company information

Baker Tilly has the resources and reach to meet the City's needs – both now and into the future.

Baker Tilly was founded in 1931 – and local governments were some of our first clients. Our central objective: to use our expertise to help our clients improve their operations. Originally a certified public accounting firm, we have grown steadily over the years, broadening our service offerings and expanding our geographic presence to meet the evolving needs of our clients.

Recognizing the complexities of state and local government and eager to serve as a valued advisor to the public sector, Baker Tilly formalized its dedicated public sector specialization more than 50 years ago.

Today, Baker Tilly is a nationally recognized, full-service audit, tax and advisory firm whose specialized professionals have served more than 1,000 state and local governmental entities, including numerous cities and municipalities. Some key facts about our firm appear below.



COMPREHENSIVE EXPERIENCE TO SERVE YOU

The City will receive support and guidance from a respected firm that continues to grow – as evidenced by INSIDE Public Accounting naming Baker Tilly as the ninth largest accounting firm in the United States on their 2021 Top 400 Firms list.

About our public sector practice

Baker Tilly is one of the few CPA firms with a state and local government group dedicated entirely to serving government clients.

We have established a record of successfully serving municipal governments through increasingly diverse service offerings for our municipal clients – experience that enables us to easily understand the City's internal audit needs and the way you operate.

Your project team members have provided consulting and advisory services to a variety of public sector entities and some have served in government at the state and local level. We are well-versed in conducting a wide array of internal audit projects.



Nationwide, our state and local government practice serves a wide variety of state and local governmental entities, including cities, villages, towns, counties, public utilities and school districts. Several of these client groups now have their own subspecialty practice areas. The City will benefit from our specially organized group of staff and partners in several specific ways:

- **Specialized training and continuing education:** The City is assured of a consulting team with the necessary knowledge and skills you desire to perform internal audits that create value.
- **Dedication to your industry:** Your public sector professionals live and breathe government, working exclusively in this industry year-round. This translates into insights only experience can bring, as well as service from a team who understands the best ways to communicate and collaborate with public sector entities.
- **Industry involvement:** Members of our public sector practice group are active participants in key industry organizations, including the American Institute of Certified Public Accountants (AICPA) and the Governmental Audit Quality Center (GAQC). Because of our work with these groups, we are knowledgeable of dynamic, consequential trends in state and local government – and equipped with leading practices to help the City best respond to them.
- **Knowledge shared with the City:** At Baker Tilly, serving governments goes beyond services – we also supply our state and local government clients with crucial thought leadership in the form of webinars, workshops, articles and our regular newsletter, Government Connection.
- **Year-round consultation:** Throughout our relationship – not just during this engagement – we will be available for routine calls or technical questions, connecting you with recommendations and ideas to address the inevitable operational issues that arise. Additionally, we can alert you to new opportunities for us to collaborate and create value for the City.

More than 420 Baker Tilly professionals – including nearly 40 partners – focus directly on serving governments like yours, providing hundreds of thousands of client service hours annually to this industry. Your team is ready to help you find solutions to the obstacles that stand between you and your goal: serving the citizens of the City of Carson.

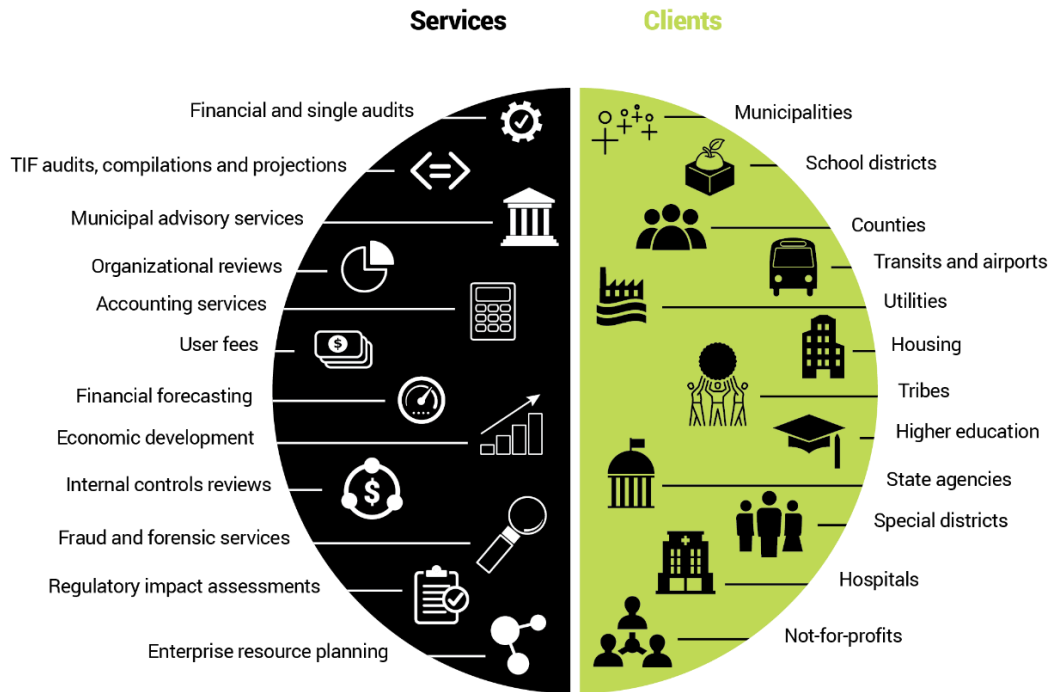
Credentials: Demonstrating a true dedication to fully understanding the issues and trends that matter most to our clients, Baker Tilly professionals hold a breadth of professional certifications, including but not limited to:

Certified Internal Auditor (CIA)	Certified Public Accountant (CPA)
Certified Information Systems Auditor (CISA)	Certified Fraud Examiner (CFE)
Certified Information Systems Security Professional (CISSP)	Certified Regulatory Compliance Manager (CRCM)
Certified Government Auditing Professional (CGAP)	Project Management Professional (PMP)
Certification in Risk Management Assurance (CRMA)	Certified Financial Services Auditor (CFSA)
International Public Management Association for Human Resource Certified Practitioner (IPMA-CP)	Certified Continuous Improvement Manager (CCIM)
Strategic Workforce Planning (SWP) Certification	Professional Engineer (P.E.)

In addition to their credentials, team members have firsthand experience serving in risk, internal audit and compliance positions within the industries they serve, including former government auditors, former

chief audit executives, former chief financial officers and former risk management professionals. The Baker Tilly team also includes a former city manager, a mayor and a director of public works.

Below is an overview of our public sector practice.



Above all, the City can expect practical, customized solutions that are tailored to your needs and operating environment.

Our work in California

California is a critical geography for Baker Tilly and will only grow in importance in the years to come. Our professionals have served California-area clients for more than 20 years and support a diverse client base throughout the state, including work with other public sector clients like the City.

To further expand our presence, Baker Tilly combined with Squar Milner LLP in 2020 – one of the largest California-based independent accounting firms. Prior to the combination, Squar Milner was the second largest CPA firm in Southern California, the fourth largest firm in California and the fifth largest firm in the West region.

Our expanding client relationships, on-the-ground local presence and knowledge of the state’s unique markets are driving Baker Tilly’s explosive growth and strong position in the Golden State – which includes more than 550 professionals across 10 locations:

- Los Angeles
- Orange County
- San Diego (two locations)
- San Fernando Valley (two locations)
- San Francisco
- San Mateo
- Silicon Valley (two locations)



Baker Tilly has completed internal audits for more than 1,000 state and local government clients. Proximal to the City, Baker Tilly currently serves as the outsourced internal audit service provider for the city of Palo Alto, and the financial auditor for the Sacramento Municipal Utility District and the Imperial Irrigation District. Members of the proposed engagement team contributed to these projects and many others.

Breadth of services and support for the City

Baker Tilly goes well beyond the traditional areas of internal audit focus. We specialize in a number of other areas that may be of interest to the City, now or in the future. These areas of expertise include the following and are detailed in **Appendix B**.

- IT audit and cybersecurity
- Fraud and forensics
- Construction
- Operational and organizational improvement
- Financial management

Introducing your proposed engagement team

The City will work with a team of Value Architects™ who understand your organization and can add value from day one. The combination of your engagement team’s public sector experience and expertise in internal audit translates into tangible results.

Your handpicked team of professionals offers a collaborative focus supported by the breadth and depth of our firm’s national resources. We believe in strong personal relationships, and this means a personal interest in the City from some of our most experienced team members.

The team will be led by **Kyle O'Rourke, Rory Vale, Dan Hedden and Adrienne McCoy** — all of whom have extensive experience in the public sector. Kyle will serve as our liaison to the City and oversee the work of the service delivery team, which is composed of highly credentialed auditors and supplemented by subject-matter specialists who can address any area of concern the City may face.

The team members we are proposing for this work have worked together on a number of projects involving services similar to those the City is seeking. Collectively, they have **hundreds of years of combined experience in providing internal audit, consulting and advisory services to local governments** and are well equipped to meet the City's objectives with insights obtained from previous projects.

The City's internal audit projects will be staffed by personnel with deep City government and auditing experience. Your project team will include professionals dedicated to working with public sector clients on a daily basis, assuring you of specialized expertise.

Engagement team members are introduced beginning on the next page, and complete resumes are available in **Appendix A**.



Their willingness to constantly take on more and to take ownership of their work allowed for me to focus on other areas. They always kept me in the loop and raised issues in an appropriate manner.

— Director of internal audit

INTENTIONALLY SELECTED ENGAGEMENT TEAM FOR THE CITY

Engagement leadership



Kyle O'Rourke, MPA, CIA, CGAP, CRMA — Principal

***Value that Kyle brings to the City:
Engagement Partner***

Kyle has been serving state and local government clients for more than nine years and has extensive expertise in internal audit, risk assessment, business process reviews and organizational assessments. He will oversee our relationship with the City to make sure timeliness, quality standards and expectations are met or exceeded. He will also provide the City access to our firm's best resources and top specialists to protect and enhance your value and deliver seamless collaboration. Kyle is dedicated to the profession and currently serves as the president of the IIA Chicago chapter.

Experience

- Leads outsourced and co-sourced internal audit services, including internal controls reviews and audits, fraud mitigation, contract compliance, and financial, operational and business process audits
- Serves as the city auditor for the city of Palo Alto and oversees the outsourced Office of the City Auditor function
- Specializes improving efficiency and effectiveness of operations through processes, use of technology, organization, staffing and alternative service delivery

INTENTIONALLY SELECTED ENGAGEMENT TEAM FOR THE CITY



Rory Vale, MPA, Manager

Value that Rory brings to the City: Engagement Manager

Rory specializes in government and not-for-profit management. He joined Baker Tilly with six years of prior industry experience, including two as a government finance executive. He will provide day-to-day oversight for engagement activities, review deliverables, and ensure effective use of engagement resources to meet the City's goals and objectives.

Experience

- Performs operational and organizational reviews
- Leads organizational and systems change management
- Provides organizational and operational policy audits
- Manages public policy creation and implementation



Dan Heddon, CPA – Partner

Value that Dan brings to the City: Financial management subject-matter advisor

Dan specializes in client services related to financial accounting and reporting, internal management reporting, and financial modeling. Dan works with clients to increase their utilization of technology and process management and provide better and more useful information to a wider range of users. He will provide perspectives and insights in these areas to support the City's engagement.

Experience

- Provides annual comprehensive financial reports, financial management reports, budget modeling and forecasting and financial studies for municipalities, counties, utilities, schools, libraries, airports and regional districts



Adriane McCoy, CIA, CISA, CFE, CAMS, CFSA, CGAP, CRP, CSOE – Director

Value that Adriane brings to the City: Operations risk management subject-matter advisor

Adriane is a public sector services professional with more than 25 years of experience as a trusted business partner to staff and management, consulting on ways to strengthen and improve operations to reduce risk and improve process efficiencies.

Experience

- Operational and risk management consulting
- Advisory for compliance, business procedures, and effectiveness of internal controls
- Evaluation of ethics-related objectives, programs, and activities
- Internal complaint and request investigations

Service delivery team



Caitlin Humrickhouse, MPA, SWP – Director

**Value that Caitlin brings to the City:
Engagement Director**

Caitlin’s areas of expertise include benchmarking, organizational redesign and system needs assessment and selection. She will work closely with the audit team to review and redesign core processes to enhance internal controls and ensure that they are aligned with governmental entity best practices and optimize the use of resources.

Experience

- Provides management consulting services with a focus on resource optimization, assisting governmental entities in their efforts to ensure the resources available (people, processes and technology) are utilized in the most efficient manner
- Performs organizational structure analyses for local governments, examining the current state versus the future optimal state of job functions and departments



Chiemi S. Perry, CPA, CIA, CISA, CFE – Manager

**Value that Chiemi brings to the City:
Engagement Manager**

Chiemi, a manager in the public sector practice, has more than 20 years of experience in risk, controls and internal auditing. Chiemi helps organizations improve their processes and controls efficiently and effectively by ensuring risk mitigation and compliance with regulations. Chiemi will manage internal audit projects on behalf of the City and support the engagement with her insights into financial, operational and IT control reviews and risk assessments.

Experience

- Helps organizations improve their processes and controls efficiently and effectively in ensuring risk mitigation and compliance with regulations
- Conducts annual risk assessments, issues audit reports and presents to governing committees and boards
- Performs quality assurance reviews of internal audit functions to ensure adherence with IIA *Standards*



Allison LeMay, MPA, IPMA-CP – Consulting Manager

Value that Allison brings to the City: Internal Auditor/Project Manager

Allison is passionate about helping cities, counties and other public sector entities effectively develop, manage and engage their employees to best meet organizationwide goals and objectives. She will provide the audit team with subject-matter expertise in HR department process reviews and related activities.

Experience

- Collaborates with clients to establish HR key performance indicators and support metrics based on client goals (i.e.: increased diversity, improved applicant pools, better retention, etc.) to measure the effect of process changes and new programs to quantitatively inform future decisions



Ronald Cintron, CIA, CISA, CGAP, CRMA – Senior Consultant

Value that Ronald brings to the City: Internal Auditor/Project Manager

Ronald has served local governments in various advisory roles for 10 years, developing broad and deep expertise in compliance and performance audits. His areas of specialization include risk evaluation, policy and procedure reviews, Generally Accepted Government Auditing Standards (GAGAS) compliance, and internal audit policy and procedure development. Ronald will support the day-to-day auditing, reporting and project management activities of the engagement and lead day-to-day activities on certain audit activities to which he is assigned.

Experience

- Leads internal audits for various governmental entities
- Specializes in outsourced internal audits, including IT, compliance and performance audits
- Served as an internal auditor and consultant for various local governments dealing with issues from economic development to policy and procedure creation

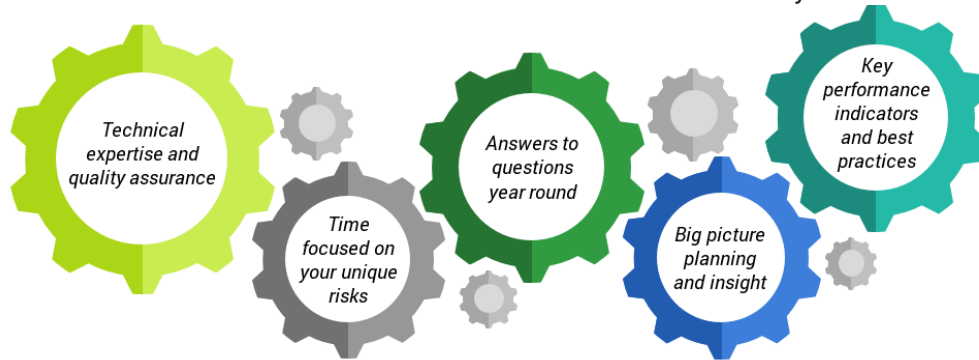
THE CITY WILL RECEIVE TANGIBLE RESULTS WITH BAKER TILLY

All engagement team members are committed to the City's success. Their industry experience and service expertise translates into tangible results.

Building trust and maximizing value with significant team member involvement

Your experienced engagement team members will be responsive to your needs, quickly resolve challenges and build trust. You can expect to receive technical insights and an approach customized to your unique structure, culture, timing and strategic goals.

We are ready to serve you when you need us, where you need us and for as long as you need us. Whether it is an early-morning phone call or late-night email, we are here to give you peace of mind. The graphic below details how we will build trust and maximize value with the City.



COLLABORATING WITH YOU AS YOUR TRUSTED VALUE ARCHITECT™

Your partners and managers will be deeply involved in the engagement to give them an in-depth working knowledge of your organization and processes to deliver value throughout the year.

Cultivating an engaging culture to offer a consistent team for the City

You can expect to see the same engagement team members every year and avoid the time and cost commitments of onboarding a new team. We view our commitment to staff continuity as the cornerstone of building a lasting relationship with the City.

Exceptional professionals thrive at Baker Tilly because we cultivate an engaging culture through diversity and inclusion, work-life balance, continuous learning opportunities, career advancement and employee recognition.

EVIDENCE OF OUR TEAM MEMBER-FOCUSED CULTURE AND COMMITMENT TO EXCELLENCE

Ranked as the ninth largest accounting and advisory firm in the U.S. according to INSIDE Public Accounting's 2021 Top 400 Firms list



Ranked as a top 10 accounting and advisory firm for workplace prestige and quality on Vault Accounting's Accounting 50 list; **culture** is the number one reason that team members join our ranks and stay at our firm



Recognized as one of America's Best Large Employers in 2021 by Forbes



Certified as a Great Place to Work® for the fourth consecutive year



Received 250+ culture awards and workplace recognitions firmwide



CULTIVATING AN ENGAGING CULTURE

Our commitment to attracting and retaining a top-quality workforce benefits the City of Carson through engaged team members and staff continuity.

2. Subcontractor list

Baker Tilly will not subcontract any portion of the City's engagement.

3. Cost proposal form

Value means more than simply checking boxes and meeting your requirements. Value means services that lead to meaningful insights and that give the City's leadership peace of mind.

We prepared a fee estimate for the City based on the needs and objectives you have shared with us and our experience providing internal audit and consulting services to clients in the public sector. Our estimate allows for thorough and insightful advice and services from experienced professionals, providing a high value for fees.

ITEM	PROPOSAL PRICE
Professional fees for requested services	\$195,000
7.25% sales tax	\$14,138
TOTAL	\$209,138

Providing our standard hourly rates

When nonroutine matters arise outside the scope of the engagement, we will base our fees on our standard rates. When possible, we will provide an estimate in advance of the time and expense we believe necessary to achieve your objectives. Final billings are always evaluated in light of value delivered.

STANDARD HOURLY RATES	
Staff level	Hourly rate
Partner/director	\$375
Senior manager	\$275
Manager	\$240
Supervisory staff	\$195
Staff	\$155

Assumptions

When developing statements of work, we base our cost estimates on the assumptions detailed below. Should any of these change during the engagement, we will bring the matter to the City's attention and immediately disclose any increase in fees and the reason for the increase. We will not undertake additional work without the City's written approval.











Assumptions include:

- Adequate support, preparedness and cooperation from City management during each phase or project
- City staff will be available for interviews as scheduled
- Requested information is provided in a timely manner, in preferred formats (Excel for financials, Word for other documents) and significant modification or manipulation is not required
- No significant changes in scope

While we used the assumptions above to develop an estimate, we look forward to discussing alternative approaches that may better fit the City's intended scope and priorities.

Supporting the City with our value-for-fees approach

We will provide the highest quality service to the City for a fair and reasonable fee. Below is an overview of our value-for-fees approach and how it benefits you.

 <p>A team that works with a similar client base and is ready to lead a smooth and beneficial transition</p>	 <p>Frequent check-ins and timely responses to your inquiries</p>	 <p>Controlled costs through a service approach designed for you; no surprise billing or add-on charges</p>	 <p>Knowledge retention through a commitment to staff continuity</p>	 <p>Proactive insights and ideas shared year-round via complimentary articles, toolkits, webinars, e-books, whitepapers, alerts and newsletters</p>
 <p>Support from the full breadth and depth of Baker Tilly's resources across the U.S. and around the world</p>	 <p>Practical, flexible and collaborative approach designed for your unique needs</p>	 <p>Full range of service solutions to grow with your needs</p>	 <p>Use of innovative technology and software tools to support real-time communication, efficiencies and compliance</p>	 <p>High level of experienced team member involvement for a big-picture perspective</p>

COMMITMENT TO VALUE FOR FEES

The City can expect exceptional service paired with a fair, competitive fee arrangement that allows us to deliver continuous value throughout our relationship.

4. Client reference list

Baker Tilly has a reputation for excellence. The references below demonstrate our ability to successfully perform successful internal audit activities for similar clients. These references can attest to the quality and success of Baker Tilly's services. We welcome your discussing their experiences with them; however, we ask that you please contact us beforehand so that we can notify the parties to ensure a prompt response to your inquiries.

CLIENT REFERENCE LIST

In order to more fully evaluate your background and experience for the project herein proposed, it is requested that you submit a list of references and/or similar projects completed or in progress within the last 24 months or as noted in the requirements of the RFP or IFB. Your cooperation in this matter is greatly appreciated.

Company Name: Baker Tilly US, LLP

Number of years as a contractor in the work of this type: 90+

Three projects/clients references for this type of work:

Client Name City of Palo Alto, CA

Address 250 Hamilton Ave. Palo Alto, CA 94301

Contact Name Pat Burt, Mayor Contact Email pat@patburt.org

Contact Phone Number +1 (650) 329 2100

Project Description We serve as the City's outsourced internal auditor.

Activities include annual risk assessment, annual audit plan development and execution of audits.

Project Start Date 2020 Project End Date ongoing


Project Amount: \$700,000

4. CLIENT REFERENCES LIST

Client Name North Texas Municipal Water District
Address 501 East Brown Street, Wylie, TX 75098
Contact Name Brian Brooks Contact Email brian.brooks@swbno.com
Contact Phone Number +1 (972) 442 5405
Project Description Strategic and operational planning support

Project Start Date 2019 Project End Date 2024
Project Amount: \$75,000

Client Name San Mateo County, CA
Address 455 County Center, 5th Floor Redwood City, CA 94063
Contact Name Lisa Yapching Contact Email lyapching@smcgov.org
Contact Phone Number +1 (650) 363 4381
Project Description Recruitment and retention study with a Diversity, Equity and Inclusion focus, classification and compensation study with a staffing level analysis.
Project Start Date 2022 Project End Date present
Project Amount: \$120,000

Bidder's Signature 

NOTE: If requested by the City, the bidder shall furnish a certified financial statement, references, and other information sufficiently comprehensive to permit an appraisal of his current financial condition.

.....
As a privately held firm and partnership, we do not publish or distribute our financial information to the public or to anyone without a signed non-disclosure agreement. Information about our firm's net revenues can be found on our website through our annual report. In the event that Baker Tilly is selected as a finalist in the RFQ process and additional financial information is required, we may release certain high-level financial information to the City, provided the information is not posted or shared on any public website or forum and is not disclosed to any other vendors, candidates or clients.

Our state and local government clients

A representative sampling of our public sector clients appears below.

- Anaheim Public Utilities, CA
- Austin Energy, TX
- Burbank Water and Power, CA
- California Lutheran Education Foundation
- California Lutheran University
- Champaign County, IL
- Church Divinity School of the Pacific, CA
- Chicago Public Schools
- City of Bloomington, IL
- City of Burbank, CA
- City of Carlsbad, CA
- City of Chicago, IL
- City of Dallas, TX
- City of Elgin, IL
- City of Evanston, IL
- City of Goleta, CA
- City of Highland Park, IL
- City of Houston, TX
- City of Lake Forest, IL
- City of Madison, WI
- City of Milwaukee, WI
- City of Minneapolis, MN
- City of Modesto, CA
- City of Ogden, UT
- City of Richmond, CA
- City of Riverside, CA
- City of Rochester, NY
- City of Rolling Meadows, IL
- City of St. Paul, MN
- City of Urbana, IL
- City of Waukegan, IL
- City of Wilmington, DE
- City Public Service of San Antonio
- Colorado Springs Utilities, CO
- Detroit Water and Sewerage Department
- DuPage County, IL
- Forest Preserve District of Cook County, IL
- Gainesville Regional Utilities, FL
- Grand River Dam Authority, OK
- Guam Water Utilities
- Hennepin County, MN
- Highland Park Library, IL
- Illinois Department of Commerce & Economic Opportunity
- Illinois Department of Technology and Innovation
- Illinois Housing Development Association
- Illinois Racing Board
- Illinois Tollway
- Imperial Irrigation District, CA
- Independence Power & Light, MO
- Lake County, IL
- Lawrence Berkeley National Laboratory, CA
- Lewis & Clark College
- Loma Linda University Health, CA
- Long Island Power Authority, NY
- Lower Colorado River Authority, TX
- McHenry County, IL
- Memphis Light, Gas and Water, TN
- Metra (Chicago transit)
- Metro Water Reclamation District of Greater Chicago
- Milwaukee County, WI
- Mount Saint Mary's University, CA
- Oregon State University
- Portland State University, OR
- Saint Mary's College of California
- Modesto Irrigation District/MSR Public Power Agency, CA
- New York City Board of Education Retirement System
- Northern California Public Power Agency
- Oklahoma Municipal Power Authority
- Orlando Utility District, FL
- Pace Suburban Bus, IL
- Pasadena Water & Electric, CA
- Racine County, WI
- Rockford Public Schools, IL
- Sacramento Municipal Utility District, CA
- San Antonio Water System
- San Diego Gas & Electric
- San Diego State University Research Foundation
- San Mateo County, CA
- Seattle City Light
- Southeastern Universities Research Association
- Southern California University of Health Sciences
- Southern Ute Indian Tribe, CO
- Stanford University
- State of California
- State of Illinois
- State of Indiana
- State of Oregon
- University of California System
- University of California, Irvine
- University of California, San Francisco
- University of California, Santa Barbara
- University of Oregon
- University of Washington
- VIA Metropolitan Transit, San Antonio
- Village of Skokie, IL
- Western Oregon University
- Will County, IL

Similar service examples

ACCOUNTS PAYABLE AND PAYROLL PROCESS ASSESSMENT	
OUR CLIENT'S NEED	A large city park district needed to improve the payroll process for their full-time, part-time and seasonal employees while reducing the risk of fraudulent activity. In order to accomplish this, Baker Tilly was engaged to evaluate the payroll and accounts payable processes for process efficiency and adequacy of the internal control environment.
BAKER TILLY SOLUTION	<p>Baker Tilly's state and local government specialists conducted an internal controls assessment within the comptroller's office in order to identify weaknesses in the control environment. Baker Tilly's dedicated professionals developed an internal controls review report that outlined 30 areas for improvement and recommendations the park district could take to remedy its challenges with recommended implementation priorities.</p> <p>Opportunities to increase efficiency, enhance the use of technology and improve the effectiveness of the District-wide cash disbursement function were prioritized. A structure for implementing a pay card system in lieu of issuing payroll checks for employees not paid by direct deposit was also provided.</p>
RESULTS	Using Baker Tilly's strategic internal controls report, the park district's comptroller's office developed a plan to present to park district leadership in order to bring focus to the areas in need of resources. The park district utilized the report to determine priorities, develop timelines and strategize long-term goals.
HR, PROCUREMENT AND FINANCIAL FUNCTION REVIEW	
OUR CLIENT'S NEED	A publicly funded organization required assurance that its HR, procurement and financial functions were being effectively managed across its complex and highly decentralized environment.
BAKER TILLY SOLUTION	Baker Tilly assessed support within all administrative and business functions to verify strategic alignment and determine if systems and policy supports were driving desired behaviors in human capital management. We reviewed gaps in business strategy and system requirements across all 25 departments focusing on the county's finance, payroll, HR and procurement functions. Our assessment of capability gaps evaluated how well departmental operational approaches, process and technology aligned with the entity's articulated strategy for managing human and financial resources.
RESULTS	The organization received a roadmap identifying key changes to managing key business functions from people, process and technology perspectives with a specific focus on how to ensure consistent performance expectations, metrics and technology-based supports were to support the decentralized management environment.

4. CLIENT REFERENCES LIST

BUSINESS PROCESS AND INTERNAL CONTROLS REVIEW	
OUR CLIENT'S NEED	In advance of undertaking an ERM project, a county wanted to review business processes countywide to optimize operations, improve efficiencies and enhance internal controls.
BAKER TILLY SOLUTION	We completed a review of business requirements across all 25 departments, including a review of the county's finance, payroll, HR and procurement functions; assessment of business capability gaps for core business processes based on the departments' and the county's strategic plans and articulated business requirements.
RESULTS	Results included a detailed set of system and process change solution alternatives with supporting business cases that included scoring of the alternatives, risk profile, change readiness assessment, cost/benefit analysis, high-level assessment of ROI, implementation roadmaps, IT infrastructure evaluation and assessment of future opportunities.

ORGANIZATION AND STAFFING REVIEW FOR A CITY'S HR AND FINANCE DEPARTMENTS	
OUR CLIENT'S NEED	A city sought to review the organization structure and staffing levels of its HR department to improve flexibility and efficiency in service delivery and to optimize available staff time.
BAKER TILLY SOLUTION	The city selected Baker Tilly to perform an organizational and staffing level review. The project involved a detailed assessment of staff roles, reporting relationships and job assignments compared to workload levels, to ensure that available staff resources aligned to support core functions. We recommended a realignment of organizational structure, a reassignment of specific tasks to provide sufficient coverage for critical functions and leveraging available technology to reduce manual process activities.
RESULTS	Because of the successful engagement relative to the HR department, the city asked Baker Tilly to perform a similar organizational and staffing level review for the finance/treasurer's office. Recommendations focused on organizational consolidation of the purchasing and finance departments to achieve staff savings, reassignment of duties to reduce the staff cost to perform critical functions, fully implementing unused modules of the city's finance system, improving training and exploring automated A/R solutions such as web-based payments and remote deposit to reduce manual accounts receivable activities and the elimination of duplicative processes.

Breadth of expertise

A representative listing of audit activities we have conducted for our public sector clients appears on the next page. In addition to performing these audits, we may develop audit plans to address the operations within a specific City department.

Financial and accounting operations

- Billing
- Bond rating and compliance
- Budgeting
- Cash disbursements and receipts
- Debt management
- Due diligence
- Employee compensation
- External audit assistance
- Financial reporting controls
- Fund accounting
- Grant management
- Investment management
- Payroll
- Receivables and collections
- Treasury management

Enterprise risk management and governance

- Audit exception follow-up
- Compliance and internal audit infrastructure
- Compliance risk assessment
- Enterprise risk assessment
- Fraud risk assessment
- Governance and internal controls training
- Internal audit best practices support
- Internal audit charter development
- Internal controls diagnostic
- Governance self-assessment

Human resources

- Background check processes
- Benefits and administration
- Benefit plan audits
- Employee leave
- HR operations
- Retirement plan administration outsourcing
- Talent management
- Workforce and succession planning

Operational

- Financial reporting and CAFR development
- Constituent relationship management
- Capital planning and construction management
- Energy and utilities utilization and efficiency
- Facilities management
- Financial disclosure
- Freedom of Information Act
- Work order, inventory and asset management
- Operational efficiency and cost cutting identification
- Performance management and benchmarking
- Permitting and licensing process management
- Privatization, public/private partnerships
- Project risk management
- Proprietary fund operations
- Real estate management
- Records retention
- Space utilization
- Stakeholder relationship management
- Vendor and service outsourcing activities

Grants management

- Cost allowability, allocability and reasonableness
- Effort and time reporting
- Governmental audit preparation
- Grants and contracts compliance
- Subrecipient monitoring

Procurement and accounts payable

- Accounts payable
- Contract management
- Contracting estimates and bids
- Procurement
- Procurement cards
- Vendor management

Technology risk and cybersecurity

- Application security
- Change management
- Cloud computing
- Cybersecurity
- Disaster recovery and business continuity
- HIPAA compliance
- Information privacy and security
- IT effectiveness and governance
- IT internal controls testing
- IT operations
- IT risk assessment
- Project risk review
- Privacy
- Server administration
- Software selection
- System access control
- System backup and recovery
- System development
- System implementations, changes and upgrades
- Vulnerability management
- Workflow automation

Special investigations

- Fraud investigation
- Government audit preparation
- Whistleblower investigation

Expertise with enterprise resource planning platforms

We are experienced and knowledgeable about all of the leading products serving the municipal market. We have evaluated, selected and/or implemented most, if not all, of the integrated financial and operational solutions supporting government, including both Tier 1 products spanning multiple industry segments – such as Oracle, PeopleSoft, SAP and Lawson - and purpose-built Tier 2 integrated local government software suites such as New World LOGOS, **Tyler MUNIS** and InCode, SunGard Naviline and ONESolution, along with others.

5. Exceptions to the City contract of services agreement template

Per RFQ Section C, we hereby take exceptions to the provisions detailed in the attached exceptions table. If selected, we will require the ability to propose additional terms and negotiate mutually acceptable revisions to these sections prior to executing a final contract.

Exceptions to City of Carson, CA RFQ

Page No.	Section/ Paragraph No.	Proposed Revision
Exceptions to Contract Services Agreement:		
1	Scope of Services	<p>We propose revising this section as follows:</p> <p>In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow <u>the highest generally accepted industry professional standards of care and competence</u> in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “<u>highest generally accepted professional standards of care and competence</u>” shall mean those standards of practice recognized by one or more first- class firms performing similar work under similar circumstances.</p>
2	Care of Work	<p>We propose revising this section as follows:</p> <p>The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, <u>caused by the Consultant’s negligence,</u> until acceptance of the work by City, except such losses or damages as may be caused by City’s own negligence.</p>
8	Insurance Coverages, para. 8	<p>We proposed revising this section as follows:</p> <p>All of the above policies of insurance shall be primary insurance and, <u>with the exception of Worker’s Compensation and Professional Liability,</u> shall name the City, its elected and appointed officers, employees and agents as</p>

5. EXCEPTIONS TO THE CITY CONTRACT OF SERVICES AGREEMENT TEMPLATE

		<p>additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Consultant's insurance. <u>With the exception of the Professional Liability insurer.</u> The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Moreover, the insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention.</p>
8	Insurance Coverages, para. 9	<p>We propose revising this section as follows: All of said policies of insurance <u>Each insurer</u> shall provide <u>30 days prior written notice to Consultant in the event of that said insurance may not be amended or cancellation, non-renewal, or a material change to the policy. Consultant shall provide notice to the City as soon as reasonably possible after receipt of notice from carrier. by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City.</u> In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer.</p>
9, 10	Indemnification	<p>We propose revising this section as follows: To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all <u>third party</u> actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or <u>liabilities whether actual or threatened</u> (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity <u>to the extent such claims or liabilities are finally determined to be</u> arising out of or in connection with the negligent Consultant's fraudulent acts or willful misconduct in the performance of the work, operations or activities provided herein of services under this Agreement by Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:</p> <p>Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all <u>reasonable</u> costs and expenses, including <u>reasonable</u> legal costs and <u>reasonable</u> attorneys' fees incurred in connection therewith.</p> <p>Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform</p>

5. EXCEPTIONS TO THE CITY CONTRACT OF SERVICES AGREEMENT TEMPLATE

~~such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom.~~

In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims finally determined to be arising out of Consultant's fraudulent acts or willful misconduct in Consultant's performance of the services under this Agreement or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all reasonable costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, reasonable legal costs and reasonable attorneys' fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities to the extent such claims or liabilities are finally determined to be arising from ~~any negligent or wrongful act, error or omission, or reckless or the fraudulent behavior or willful misconduct of Consultant in Consultant's the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional.~~ The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

Notwithstanding the foregoing, the City hereby releases the Consultant, its subsidiaries and their present or former partners, principals, employees, officers and agents from, and acknowledges that such parties shall not be required to indemnify the City against, any costs, fees, expenses, damages and liabilities (including attorneys' fees and all defense costs) relating to or arising as a result of the acts or omissions of the City. Furthermore, because of the importance of the information that the City provides to the Consultant with respect to the Consultant's ability to perform the services, the City hereby releases the Consultant and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services that arise from or relate to any information, including representations by management, provided by the City, its personnel or agents, that is not complete, accurate or current.

5. EXCEPTIONS TO THE CITY CONTRACT OF SERVICES AGREEMENT TEMPLATE

		<p><u>The liability (including attorney’s fees and all other costs) of Consultant and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Agreement shall not exceed the fees paid to Consultant for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Consultant relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays, interruptions or viruses arising out of or related to this Agreement even if the other party has been advised of the possibility of such damages.</u></p> <p><u>Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Agreement are material bargained for bases of this Agreement and that they have been taken into account and reflected in determining the consideration to be given by each party under this Agreement and in the decision by each party to enter into this Agreement. The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of City, Consultant or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Agreement.</u></p>
11	Records	<p>We propose revising this section as follows:</p> <p>Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and <u>pertinent to payment and invoicing for</u> services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such <u>books and</u> records. Such <u>books and</u> records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such <u>books and</u> records in the event any audit is required. In the event of dissolution of Consultant’s business, custody of the books and records may be given to City, and access shall be provided by Consultant’s successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.</p>

5. EXCEPTIONS TO THE CITY CONTRACT OF SERVICES AGREEMENT TEMPLATE

11	Ownership of Documents	<p>We propose revising this section as follows:</p> <p><u>Subject to Consultant's rights in Consultant's Knowledge (as defined below), All completed tangible materials drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared specifically by Consultant, its employees, subcontractors and agents for the City in the performance of this Agreement ("Deliverables") shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event, Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City. Notwithstanding the foregoing, the Consultant will maintain all ownership right, title and interest to all Consultant's Knowledge. For purposes of this Agreement, "Consultant's Knowledge" means the Consultant's proprietary programs, modules, products, inventions, designs, data, or other information, including all copyright, patent, trademark and other intellectual property rights related thereto, that are (1) owned or developed by the Consultant prior to the Effective Date of this Agreement or the applicable statement of work ("Consultant's Preexisting Knowledge") (2) developed or obtained by Consultant after the Effective Date, that are reusable from client to client and project to project, where the City has not paid for such development; and (3) extensions, enhancements, or modifications of Consultant's Preexisting Knowledge which do not include or incorporate the City's confidential information. To the extent that any Consultant Knowledge is incorporated into the Deliverables, the Consultant grants to the City a non-exclusive, paid up, perpetual royalty-free worldwide license to use such Consultant Knowledge in connection with the Deliverables, and for no other purpose without the prior written consent of the Consultant. The documentation for this engagement, including the workpapers, is the property of the Consultant and constitutes confidential information. The Consultant may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. If the Consultant is required by law,</u></p>
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5. EXCEPTIONS TO THE CITY CONTRACT OF SERVICES AGREEMENT TEMPLATE

		<u>regulation, or professional standards to make certain documentation available to regulators. City hereby authorizes the Contractor to do so.</u>
12	Confidentiality and Release of Information Para. 3	We propose revising this paragraph as follows: If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct <u>seek equitable relief without the requirement of posting bond.</u>

6. Affidavit of non-collusion

**CITY OF CARSON
AFFIDAVIT OF NON-COLLUSION AND NON-DISCRIMINATION**

I hereby swear (or affirm) under the penalty of perjury:

That the attached proposal or bid has been arrived at by the responder independently and has been submitted without collusion with and without any agreement, understanding, or planned common course of action with any other firm or entity designed to limit fair and open competition;

That the contents of the proposal or bid response have not been communicated by the responder or its employees or agents to any person not an employee or agent of the responder and will not be communicated to any such persons prior to the official opening of the solicitation responses; and

The proposer/bidder does not and shall not discriminate, will provide equal employment practices, and will adhere to an affirmative action program to ensure that in their employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

I certify that the statements in this affidavit are true and accurate.



Signature

June 9, 2022

Date

Kyle O'Rourke

Printed Name

Principal

Title

7. Federal lobbyist requirements

FEDERAL LOBBYIST REQUIREMENTS CERTIFICATION

Name of Firm: Baker Tilly US, LLP Date: June 9, 2022

Address: 205 N. Michigan Avenue, Chicago

State: IL Zip Code: 60601 Phone No.: +1 (312) 729 8000

Acting on behalf of the above-named firm, as its Authorized Official, I certify as follows:

1. No Federal appropriated funds have been paid, by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;

2. If any funds other than Federal appropriated funds have paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and:

3. The above-named firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Authorized Official:

Name: Kyle O'Rourke Title: Principal

Signature:  Date: June 9, 2022

8. Debarment and suspension certificate

DEBARMENT AND SUSPENSION CERTIFICATION

Name of Firm: Baker Tilly US, LLP

Acting on behalf of the above-named firm ("Consultant"), as its Authorized Official, I, the undersigned, certify as follows:

I am a duly authorized representative of ("Consultant"). Consultant certifies, to the best of its knowledge and belief, that Consultant, including its principals:

Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency, and not does not have a proposed debarment pending;

Has not within the three-year period preceding this certification been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction, contract, or subcontract under a public transaction; for violation of federal or state antitrust statutes; or for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (2) above; and

Has not within the three-year period preceding this certification had one or more public transactions (federal, state or local) terminated for cause or default.

Consultant further certifies that Consultant, including its principals, is not listed on the government-wide exclusions in the System for Award Management.

Consultant acknowledges that falsely providing this certification may result in criminal prosecution or administrative sanctions, and that this certification is a required component of all proposals in response to this RFP/IFB.

A proposal that does not include a completed and signed version of this certification will be deemed incomplete and materially nonresponsive, and will not be considered.

CONSULTANT

By: 

Title: Principal

Date: June 9, 2022

9. Certificate of Compliance with Labor Code Section 3700

CERTIFICATE OF COMPLIANCE WITH LABOR CODE SECTION 3700

Name of Firm: Baker Tilly US, LLP

Acting on behalf of the above-named firm ("Consultant"), as its Authorized Official, I, the undersigned, certify as follows:

Consultant is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with provisions of that code, and will comply with such provisions before commencing the performance of the work under any contract awarded in response to Consultant's proposal.


CONSULTANT

By:  _____

Title: Principal

Date: 6/14/2022

10. Certificate of insurance

		CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 10/01/2021		
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.						
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).						
PRODUCER Aon Risk Services Northeast, Inc. One Liberty Plaza, 165 Broadway, Suite 3201 New York, N.Y. 10006			CONTACT NAME: PHONE (A/C, No, Ext): 312-381-1000 FAX (A/C, No): 312-381-7007 E-MAIL ADDRESS:			
INSURED Baker Tilly US, LLP P.O. Box 7398 4807 Innovate Lane Madison WI 53707-7398 USA			INSURER(S) AFFORDING COVERAGE		NAIC #	
			INSURER A : Columbia Casualty Company			
			INSURER B :			
			INSURER C :			
			INSURER D :			
			INSURER E :			
INSURER F :						
COVERAGES		CERTIFICATE NUMBER:		REVISION NUMBER:		
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURER INSURER WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/POP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED. RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N	N / A			<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability Insurance		ABF-188122608	01-Oct-21	01-Oct-22	Not less than US \$2,000,000 per claim and in the annual aggregate.
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)						
Evidence of Insurance						
CERTIFICATE HOLDER Baker Tilly US, LLP P.O. Box 7398 4807 Innovate Lane Madison WI 53707-7398 USA			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Northeast, Inc.</i>			

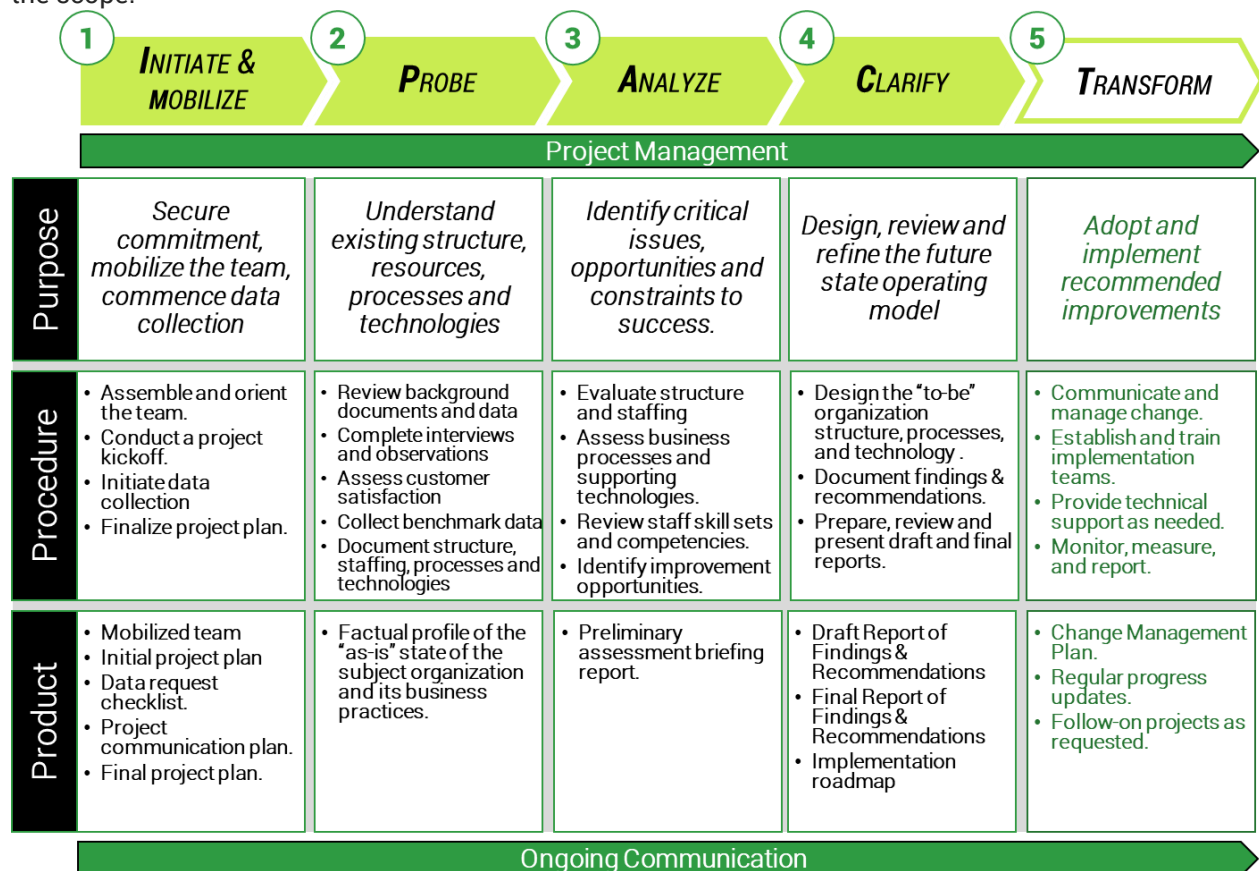
Proposer qualifications

OVERVIEW OF OUR CAPABILITIES	
Requirement	Baker Tilly qualifications
Minimum 10 years of city government work experience in services identified within the scope of work	Baker Tilly has been serving public sector entities for 50+ years
Thorough knowledge of Annual Comprehensive Financial Report (ACFR), Governmental Accounting Standard Board (GASB), and Generally Accepted Accounting Principles (GAAP).	As certified public accountants and professional auditors, we are thoroughly familiar with relevant standards and principles, and with applicable local, state and federal laws, rules and regulations. Our deep bench strength of subject-matter and industry expertise means that members of your engagement team have access to significant resources, perspectives, insights and guidance.
Thorough knowledge of local, state and federal laws, rules and regulations relevant to the area of responsibility.	
Ability to effectively communicate, both verbally and in writing, and establish and maintain effective working relationships with employees, departments and the general public.	Our public sector practitioners are broadly skilled communicators with years of experience serving as liaisons, nurturing collaborative partnerships, reporting to audit committees and boards, and leading complex engagements where differing perspectives, priorities and objectives are commonplace. To support our practitioners' continuous development in communication, public speaking, research, leadership and related areas, we provide on-demand continuing professional education via our internal learning management system. Representative courses include
Experience researching and maintaining comprehensive knowledge and understanding of applicable laws, policies and procedures to effectively communicate with staff.	<ul style="list-style-type: none"> – Effective business communication – Practical Project Management Series #3: Building a Strong Team and Communicating Throughout – The Confident Communicator: Essential Interpersonal Skills for Navigating Relationships – Cracking the Codification: U.S. GAAP research made easy
Ability to act as a liaison and departmental representative to elected officials, political representatives, candidates, judges, contracting customers, vendors, general public, and/or other county, state and federal representatives to resolve problems, answer questions, provide assistance and modify policies and procedures.	
Experience in evaluating, developing and implementing methodologies in compliance with ACFR, GASB, and GAAP and related data and reports.	Our extensive experience serving state and local governments means we are thoroughly familiar with ACFR, GASB and GAAP and with supporting public sector entities in achieving and maintaining compliant methodologies and practices.

Project approach

Baker Tilly will apply a proven approach and methodology to fully address the City’s breadth and depth of scope.

Called **ImPACT**, the methodology logically organizes those tasks necessary to document, analyze and strengthen the organizational structure, staffing, business processes, technologies, and governance of the Authority’s service-enabling activities of finance and accounting, human resources and administration, public and government relations and process improvement. As illustrated below, the methodology is organized into five major categories, which underpin the various tasks at hand within the scope:



- **Initiate and mobilize** the organization and operations assessment project to ensure that all participants share a common understanding and commitment to the project goals.
- **Probe** to understand the “as-is” state of the Department’s administrative support organization, resources, business practices, and technologies to establish the factual foundation for subsequent analysis.
- **Analyze** and evaluate current administrative operations in detail, identifying critical constraints and identifying preliminary opportunities for improvement.
- **Clarify** conclusions and document specific findings and improvement recommendations, both immediate and long-term, for the consideration of the Authority.
- **Transform** the organization and operations of the Department’s back-office activities with optional assistance and technical support from the Baker Tilly team as requested.

We will apply the overall methodology to the individual tasks and tasks within our workplan. Each task will have a further defined project methodology. For example, the Risk Assessment will include a risk rating and prioritization methodology. Rather than mapping the minutia of each task, we have further identified the specific **Purpose** for each scope element and the deliverable **Products** (tasks) that we will develop and provide to you with each task.

We will consistently apply the methodology to each of the functional task included to further refine the appropriate project methodology, schedule and workplan in each of the scope areas presented. If selected as your consultant, we will adjust this project plan as needed to ensure that your priority needs are met within a budget that is comfortable for you.

Project plan overview

The following tasks provide an overview based upon the **ImPACT** methodology and adapted for the scope, fees, and schedule proposed. The listed tasks are representative and illustrative and will be applied as necessary to achieve the established project objectives.

All of the task project plans or procedures will be based around a four-phase approach below. These phases will map alongside our workplans and **ImPACT** approach.



This approach will allow us to best meet your needs and establish a methodology rooted in need and context for each task. Whether that is based upon the Authority’s risk appetite, financial reality, human capital constraints, or otherwise. Our approach is centered about helping you break the mold. As a result, we want to plan and get there together rather than sell you a one-size-fits-all methodology. It is our hope this help illustrate our understanding of your needs and the task at hand. It is critical that this project be a collaborative and contemplative exercise in what the Authority can best do now, for tomorrow.

Task 1 – Risk assessment

Purpose: Identify, assess, prioritize, and provide mitigant recommendations for priority risk factors across the functional area.

Scope:

- 2. To develop and implement methodologies to assess compliance with General Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB)
- 8. To provide a detailed assessment of the separation of duties between the Human Resource Department and Finance

Product—Risk Matrix

A comprehensive risk matrix resulting from the risk assessment.

Including complete risk likelihood and impact ratings, current mitigation strategies, and future mitigant recommendations.

Task 2— Operational assessment

Purpose: Review, redesign, and refine the current-state Department structure, process, and controls.

Scope:

1. To provide a summary of the strengths and weakness of the overall structure of the Finance Department.
3. To identify strengths and weakness of the data reviewing process, AP and AR aging reports, and reconciliation of the following:
 - e. Bank Accounts
 - f. General Ledger
 - g. Balance Sheet Accounts
 - h. Grants
9. Recommend practical, achievable, and realistic revisions/adjustment and additions to the policies and procedures which may include recommendations concerning reporting relationships, position titles, procedures, job functions, and technology that would: .Clarify roles, responsibilities and authority of management staff.
 - a. Eliminate duplication and overlap of responsibilities within the department and between other City’s departments.
 - b. Improve the delivery time and quality of services provided by the department.
 - c. Improve communications within and between departments.
 - d. To recommend practical, achievable, and realistic alternative structures and resources through which the department (City) could improve its efficiency overall.
 - e. Evaluate and recommend technology and software

Product – Operational Assessment Report

Develop a set of recommended improvement opportunities including both “quick hit” opportunities and those improvements that may require more time, effort or investment to implement related to the Department.

Task 3— Organizational design

Purpose: Define necessary activities, task, supervision, and responsibility for key organizational processes.

4. To develop procedures for the End of Month closing, year-end closing, closing calendar, and check list.
5. To evaluate CIP Tracking schedules, Fixed Assets and Depreciation schedules
6. To identify trainings for staff and develop a workflow management system to properly track performance

Product – Mixed use deliverables

Value-add mixed use deliverable for organizational improvement, including by not limited to procedure documents, checklists, scheduled, step-by-step guides, and process maps.

Task 4– Position control audit

Purpose: *An audit of the Department’s position and responsibility with results focused on individual positions—and not people—as a means for improving organizational operations and understanding classification and structure.*

7. To recommend position control process and procedure.

Product – Position control report

Detailed information and analysis on an organization's positions and recommendations for improvement and efficiency in structure, process and/or procedure.

Task 5– Final comprehensive report

Purpose: Report and align on recommended system and organizational improvements, integrations, and innovations

10. To produce a detailed Final Report that includes but not limited to: .Identifying best practices and performance measures that should be adopted by the City.
- a. Propose policies and procedures change based on the findings within the Annual Comprehensive Financial Report (ACFR)
 - b. Recommendation and/or development on policies and procedures that will improve the effectiveness and efficiency of the department’s operations
 - c. Providing training recommendations to improve operations and support for staff
 - d. Identifying staffing requirements, both current and future
 - e. Identifying performance measures that should be adopted by the City
 - f. Identifying Position Control procedures
 - g. Preparing an accounting procedure manual that can be utilize Citywide
 - h. The final report shall become the sole property of the City of Carson. Consultant shall provide to the City of Carson the final document free of any copyrights, trademark or any intellectual property or proprietary rights.

Product – Final Report and Presentation

Comprehensive final report and presentation encompassing all of the preceding tasks, reporting, and recommendations culminating in a tactical leadership roadmap for future organizational and position change.

Co-developing a timeline to meet the City’s deadlines

Your time is valuable, and one significant way we will add value to your organization is by delivering our services on time or ahead of schedule. When the Audit Committee identifies a need, we will work to define a timeline to deliver the results. The following is a description of the typical timeline.

Below is an overview of our approach to successfully provide the breadth of services the City requires. Typically, an audit activity/project will require 18-20 weeks to complete; during your client service plan development, we will collaborate with the City and Audit Committee to co-develop an agreed-upon service timeline that meets your needs and timing requirements.

Tasks	Week 1-8	Week 9-12	Week 13-18	Week 19-20
Task 1: Risk Assessment				
Task 2: Operational Assessment				
Task 3: Organizational Design				
Task 4: Positional Control Audit				
Task 5: Comprehensive Final Report				

COMMITMENT TO SUCCESSFULLY DELIVER INTERNAL AUDIT SERVICES TO MEET THE CITY’S REQUIREMENTS
The City’s time is valuable. We will co-develop a timeline to provide the City services on time or ahead of schedule



Baker Tilly personnel are smart and business savvy. They know the organizational environment and approach their work to gain their clients respect and confidence.

– Director of risk management

Appendix A: Resumes

PRINCIPAL

Kyle O'Rourke, MPA, CIA, CRMA, CGAP

Kyle O'Rourke, principal in the public sector advisory practice, leads risk advisory engagements.



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Education

Master of Public Affairs with a
concentration in public financial
management
Bachelor of Science in public
affairs
Indiana University at Bloomington

Kyle joined the firm after years with a large public accounting firm, where he was also devoted to serving government and public sector clients. He provides a variety of services to his public sector clients, including internal audit and risk consulting, business process reviews, organizational and operational assessments, benchmarking studies and technology needs assessments.

Specific experience

- Leads outsourced and co-sourced internal audit services, including internal controls reviews and audits, fraud mitigation, contract compliance, and financial, operational and business process audits
 - Kyle currently serves as the city auditor for the city of Palo Alto, where he oversees the outsourced Office of the City Auditor function
- Specializes in organizational and operational reviews of functions and departments aimed at improving efficiency and effectiveness of operations through processes, use of technology, organization, staffing and alternative service delivery
- Conducts business process reviews designed to identify opportunities to improve efficiency and effectiveness of operations, enhance internal controls and align with industry best practices
- Provides pre-implementation assistance and implementation project management services related to enterprise resource planning systems, work order asset management and other systems, including needs assessment, requirements gathering, request for proposal (RFP) development, proposal evaluation and vendor demonstration coordination
- Conducts contract compliance audits and billing reviews

Industry involvement

- Institute of Internal Auditors (IIA)
- IIA Chicago – President, Chair of the Annual Seminar, Government Advisory Committee Secretary
- Association of Government Accountants (AGA)
- Association of Local Government Auditors (ALGA)

PRINCIPAL

Kyle O'Rourke, MPA, CIA, CRMA, CGAP

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Community involvement

- Chicago Quarter Fund, Member, former Board Member

Thought leadership

- “Internal Controls for Public Sector Organizations,” bakertilly.com, 2020
- “Internal Audit for Operational Efficiency,” American Public Power Association, 2020
- “Agile Internal Audit for the Public Sector,” bakertilly.com, 2020
- “Business process redesign: a how to guide,” bakertilly.com, 2020
- “Robotics and process automation: implications for internal auditors,” IIA Chicago, 2019
- “Risky business: assessing risk in your organization,” bakertilly.com, 2019
- “Internal audit 101,” Baker Tilly internal training, 2019
- “Emerging risks in public utilities,” bakertilly.com, 2019
- “Building a sustainable organization,” Native Governance Center webinar, 2019
- “Business process redesign: improving efficiency and effectiveness of operations,” Baker Tilly internal training, 2018
- “Internal audit’s role in organizational transformation,” Native Governance Center webinar, 2018

Continuing professional education

- Institute of Internal Auditors (IIA), Leadership Academy
- IIA, Certified in Risk Management Assurance
- IIA Chicago, Annual Seminar
- IIA Chicago, Government Advisory Committee Fall into Training
- IIA, Enhancing Internal Audit Effectiveness

Awards and recognition

- Member of the Year (2020), IIA Chicago
- Educator of the Year (2017), IIA Chicago

CONSULTING MANAGER**Rory Vale, MPA**

Rory Vale, consulting manager with the energy and utilities team, joined Baker Tilly in 2019.

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Education

O'Neill School of Public and
Environmental Affairs
Master of Public Affairs
Certificate in nonprofit leadership
Indiana University
(Bloomington, Indiana)

Bachelor of Science
Central Michigan University
(Mount Pleasant, Michigan)

Mendoza College of Business
Certificate in supervisory
development
University of Notre Dame
(South Bend, Indiana)

Rory specializes in government and not-for-profit management. He joined Baker Tilly with six years of prior industry experience, including two as a government finance executive.

Rory has served as a finance director for the Indiana Department of Transportation, managing nearly \$100 million dollars in public procurements and nearly \$1 billion dollars in construction contracts annually.

He previously worked for a multinational not-for-profit organization in Chicago where he served as a member of the founding operations and program team for a first-of-its-kind summer training institute. He subsequently led the strategy, talent and operations for the organization's charter expansion into the Northwest.

Specific experience

- Performs operational and organizational reviews
- Leads organizational and systems change management
- Provides organizational and operational policy audits
- Manages public policy creation and implementation
- Scopes, designs and leads professional training
- Performs S.W.O.T. analyses for governmental and not-for-profit entities
- Manages financial system implementations
- Provides Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP) advisory services
- Provides public procurement best practices advisory services
- Conducts financial and statistical gap analyses
- Provides grant writing and post-award management
- Manages multi-fund public and not-for-profit zero-based budgets

CONSULTING MANAGER

Rory Vale, MPA

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Industry involvement

- “INDOT economics 101: the agency’s role in economic development,” Indiana Department of Transportation Supervisory Development Program, 2019
- “Empathy in leadership,” Indiana Department of Transportation Supervisory Development Program, 2018
- “Strength based classroom leadership,” Teach For America Idaho, 2015-2016
- “Personal identity: seen and unseen,” Teach For America Chicago Summer Training Institute, 2013-2015

Continuing professional education

- Boise State University Career Training, Six Sigma Green Belt
- CareerTrack, Dealing with difficult people
- Crossroads Antiracism Training, Analyzing and understanding systematic racism
- Crossroads Antiracism Training, Critical cultural competency
- Pryor Learning Solutions, How to communicate with tact and professionalism
- Pryor Learning Solutions, How to manage conflict and confrontation
- The Ken Blanchard Companies, Leadership behavior analysis 2.0
- The Ken Blanchard Companies, Situational leadership I and II

PARTNER

Daniel A. Hedden, CPA

Dan Hedden is a partner in the public sector practice group.



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Education

Bachelor of Science in business
Indiana University-Purdue
University at Indianapolis

Registered Municipal Advisor with
the Securities and Exchange
Commission

Certified Public Accountant (CPA)
State of Indiana

Dan specializes in client services related to financial accounting and reporting, internal management reporting, and financial modeling. Dan works with clients to increase their utilization of technology and process management to assist governmental units in their efforts to provide better and more useful information to a wider range of users.

Specific experience

- Serving local governments
 - Annual Comprehensive Financial Report
 - Financial management reports
 - Budget modeling and forecasting
 - Financial studies for municipalities, counties, utilities, schools, libraries, airports and regional districts

Industry involvement

- Accelerating Indiana Municipalities (Aim)
- American Institute of Certified Public Accountants
- Indiana CPA Society
- Government Finance Officers Association

Community involvement

- Past President, National Junior Tennis and Learning, Indianapolis

Thought leadership

- Frequent presenter to elected officials, controllers, department heads and other professionals in areas of financial accounting and reporting, budgeting, impacts of legislation and other topical issues of interest to membership.
- Dan also spoke nationally at the Government Finance Officers Association conference in 2016.

DIRECTOR

Adriane D. McCoy, CIA, CISA, CFE, CAMS, CFSA, CGAP, CRP, CSOE

Adriane McCoy, a Director at Baker Tilly, has been with the firm since 2022.



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Education

Bachelor of Science in Operations
Management, Accounting
DePaul University
(Chicago, IL)

Master of Science in Cybersecurity,
Network, and Infrastructure
Concentration
DePaul University
(Chicago, IL)

Adriane joined Baker Tilly in 2022 and came from the Chicago Teacher's Pension Fund where she advised the Executive Director on matters involving business procedures, compliance, and operations effectiveness. She is a public sector services professional with more than 25 years of experience as a trusted business partner to staff and management, consulting on ways to strengthen and improve operations to reduce risk and improve process efficiencies.

Specific experience

- Operational and risk management consulting
- Advisory for compliance, business procedures, and effectiveness of internal controls
- Evaluation of ethics-related objectives, programs, and activities
- Internal complaint and request investigations
- Oversight for information technology projects
- Compliance review for local and federal law, regulations, and policies
- Risk assessment
- Expert in ERP implementation projects and business process mapping
- Assistance and oversight of external contracted advisors

Industry/community involvement

- Institute of Internal Auditors
- Association of Certified Fraud Examiners
- Information Systems Audit and Control Association
- Association of Certified Anti-Money Laundering Specialists
- American Institute of Certified Public Accountants
- Bank Administration Institute
- Association of Government Accountants
- Women in Cybersecurity

DIRECTOR

Caitlin M. Humrickhouse, MPA, SWP

Caitlin Humrickhouse, director with Baker Tilly's public sector advisory practice, has been with the firm since 2012.



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Education

Master of Public Administration with
concentration in financial
management
University of Illinois at Chicago

Bachelor of International Business
Bachelor of Spanish
University of Illinois at Urbana-
Champaign

Caitlin is a Strategic Workforce Planner with a deep understanding of succession planning and strategic human capital management. Caitlin's other areas of expertise include benchmarking, organizational redesign and system needs assessment and selection. Prior to joining the firm, she worked at the University of Illinois at Chicago performing program and market analyses for an online education unit.

Specific experience

- Provides management consulting services with a focus on resource optimization, assisting governmental entities in their efforts to ensure the resources available (people, processes and technology) are utilized in the most efficient manner
- Reviews and redesigns core business processes to enhance internal controls, align with industry best practices, leverage available technology and create efficiencies
- Performs organizational structure analyses for local governments, examining the current state versus the future optimal state of job functions and departments
- Offers technology needs assessment and system selection services to help organizations achieve strategic goals by leveraging technology
- Prepares organizations to be sustainable and resilient in the face of workforce challenges and fiscal pressure through the application of operational and organizational reviews, succession planning and technology implementation

Industry involvement

- Illinois Association of Municipal Management Assistants
- Illinois City/County Management Association (ILCMA)
- Institute of Internal Auditors (IIA)
- International City/County Management Association (ICMA)

DIRECTOR

Caitlin M. Humrickhouse, MPA, SWP

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Community involvement

- Step Up
- Chicago Chapter of the U.S. National Committee for United Nations Women

Thought leadership

- “Cell phone policies: how to reduce risk,” ICMA webinar, 2017
- “Creating a sustainable organization: the intersection of finance, technology and human capital,” Baker Tilly webinar, 2017
- “Cybersecurity: guarding your organization’s assets against attack,” Baker Tilly webinar, 2017
- “Enterprise resources planning system selection best practices,” American Public Power Association (APPA), 2017 (co-author)
- “Remote workplaces: leveraging technology and developing infrastructure,” ICMA webinar, 2017
- “Risks and considerations for ERP systems implementations,” IIA Southern Regional Conference, 2017
- “Best practices for assessing and selecting an enterprise resource planning system,” Baker Tilly webinar, 2016
- “Best practices for ERP system procurement,” bakertilly.com, 2016
- “Cybersecurity: not just an IT issue,” ILCMA Metro Managers Luncheon, 2016
- “Preserving a vibrant workforce: establishing sustainable succession planning program,” APPA, 2016 (co-author)
- “Success in succession planning,” APPA webinar, 2016
- “Success in succession planning: building a program that works,” ICMA webinar, 2016
- “Succession planning,” Baker Tilly Utility University, 2015

Continuing professional education

- Strategic Workforce Planner, Human Capital Institute

MANAGER

Chiemi S. Perry, CPA, CIA, CISA, CFE

Chiemi, a manager in the public sector risk advisory practice, has more than 20 years of experience in risk, controls and internal auditing.



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Education

Master of Business
Administration
Indiana University Kelley School of
Business

Master of Global Management
Thunderbird School of Global
Management

Bachelor of Business
Administration
Meiji University (Japan)

Languages

Japanese

Chiemi helps organizations improve their processes and controls efficiently and effectively by ensuring risk mitigation and compliance with regulations. She has broad experience, including financial, operational and information technology (IT) control reviews, risk assessments and Sarbanes-Oxley (SOX) compliance.

Chiemi gained experience in the public sector, as well as the global entities, from a state auditor's office, a not-for-profit healthcare consulting organization, a prestigious global professional services firm and Fortune 500 companies.

Specific experience

- Internal audit and quality assurance
 - Experience in a full audit cycle from conducting annual risk assessments to issuing audit reports and presenting to a governing committee/board
 - Establishment of a new internal audit function
 - Quality assurance reviews of internal audit functions to ensure adherence with the Standards of the Institute of Internal Auditors
- Information technology general controls (ITGC) and audit
 - Walk-throughs, documentation and testing of all areas of IT general controls
 - IT security reviews
 - System implementation reviews
 - Disaster recovery plan and reviews
- Financial compliance and project management
 - Creation and maintenance of internal controls documentation for a compliance purpose
 - Management of a compliance program among various stakeholders
 - Monitoring of issue remediation

MANAGER

Chiemi S. Perry, CPA, CIA, CISA, CFE

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Industry involvement

- The Institute of Internal Auditors (IIA)
- ISACA (formerly Information Systems Audit and Control Association)
- Association of Certified Fraud Examiners (ACFE)
- International Association of Privacy Professionals (IAPP)
- Project Management Institute (PMI)

Community involvement

- Shadow Cats
- Williamson County Regional Animal Shelter
- Meals on Wheels, Central Texas

Community involvement

- IIA, various topics, such as “OnRisk 2020,” “Data Ethics,” “Leading Audit Committee Practices & Internal Audit Reporting,” “Financial Crime,” “Artificial Intelligence & Robotics” and “Robotic Process Automation (RPA) BOT Audit”
- ISACA, various topics, such as “Introducing COBIT 2019,” “Best Practices for Building an Effective Insider Threat Program,” “IT Governance Principles,” “Understanding Third-Party Vendor Risk Management” and “Security and Privacy”
- American Institute of Certified Public Accountants (AICPA), various topics, such as courses related to new revenue recognition standards
- Ethics courses for licenses and certification renewals
- Annual ACFE Global Fraud Conference
- Public Contracting Institute, various topics, such as “Government Contracting Fundamentals,” “Financial Forum 2019,” “Cybersecurity 2019,” “DCAA Audits” and “Subcontracting Summit”
- Cybersecurity Conference
- Accounting for international operations
- Best practices in finance and accounting
- Due diligence
- Accounting and internal controls for not-for-profits
- GAO standards – Yellow Book
- SQL for Data Science, IBM

CONSULTING MANAGER**Allison LeMay, MPA, IPMA-CP**

Allison LeMay, consulting manager with Baker Tilly, joined the firm in 2016.

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Education

Master of Public Affairs,
concentration in public financial
management and policy analysis
Paul H. O'Neill School of Public
and Environmental Affairs –
Indiana University
(Bloomington, IN)

Bachelor of Arts in spanish area
studies and pre-medicine
Kenyon College
(Gambier, OH)

Allison has fourteen years of experience working with cities, counties, k-12 districts, and public authorities. She is passionate about helping entities effectively develop, manage and engage their employees to best meet organization-wide goals and objectives. She provides guidance and practical solutions for communities in context of changing workforce demographics, geographic constraints and budget limitations.

Previous to joining Baker Tilly, Allison worked across a variety of public sector and HR practices, including a fellowship with Marion County, Indiana's Information Services Agency and as a public sector health benefits consultant, advising on multi-year benefit package planning to help public entities recruit and retain top talent. She is a certified, public sector HR professional through the International Public Management Association for Human Resources (IPMA-HR).

Specific experience

- Manages HR department re-organization and process reviews to build a reporting structure, controls, and authority for streamlined operations and increased internal productivity for improved customer service
- Creates multi-year plans to transition clients' HR workforce to meet the technical, analytical and technological needs for strategic human capital management
- Collaborates with clients to establish HR key performance indicators and support metrics based on client goals (i.e.: increased diversity, improved applicant pools, better retention, etc.) to measure the effect of process changes and new programs to quantitatively inform future decisions
- Benchmarks against neighboring communities and "best in class" organizations for FTE staffing levels, organizational structure, technology use and programming to provide due diligence for clients to improve implementation success
- Leads policy reviews to evaluate federal compliance and procedure reviews with technology use analysis to implement HR industry best practices for improved work culture and productivity

CONSULTING MANAGER

Allison LeMay, MPA, IPMA-CP

Page 2

Industry involvement

- Illinois Assistant Municipal Manager's Association
- Illinois City/County Management Association (ILCMA)
- Central Region board member - International Public Management Association for Human Resources (IPMA-HR)

Community involvement

- AmeriCorps Alumni Chicago Chapter

Thought leadership

- "Who gets to work in their pajamas?" WASPA 2021
- "Put on your HR marketing hat" IPMA-HR 2019
- "Workforce development and succession planning: it's less work than you think," Utility University, 2018
- "Doable, scalable, bearable: the succession plan you'll want to implement" ILCMA summer conference. 2018
- "Key considerations for developing and implementing remote work plans for government agency employees," IPMA-HR News. November 2018.
- "Steps toward incorporating succession planning into human capital management functions," IPMA-HR News. May 2018.
- "Workforce and succession planning – Part 1: getting started," bakertilly.com, 2018 (co-author)
- "Workforce and succession planning – Part 2: core competencies and top talent," bakertilly.com, 2018 (co-author)
- "Workforce and succession planning – Part 3: training and competitiveness," bakertilly.com, 2018 (co-author)
- "Cell phone policies: how to reduce risk," ICMA webinar, 2017
- "Creating organizational change through workforce retirements," ILCMA newsletter, 2017
- "Enterprise resource planning system selection best practices," American Public Power Association, 2017 (co-author)
- "Reduce fraud with payroll and timekeeping controls," bakertilly.com, 2017
- "Remote workplaces: developing policies and mitigating risks," ICMA webinar, 2017
- "Using workforce retirements as a catalyst for organizational change," bakertilly.com, 2017

CONSULTING MANAGER

Allison LeMay, MPA, IPMA-CP

Page 3

Continuing professional education

- IPMA-HR, Central Region 2021 Regional Conference
- Illinois Government Finance Officers Association (IGFOA), Utility Billing Seminar
- ILCMA, Summer Conference
- ILCMA, Winter Conference
- Illinois Financial Forecast Forum, Private sector views that will impact the public sector

SENIOR CONSULTANT

Ronald Cintron, CIA, CISA, CGAP, CRMA

Ronald Cintron is a senior consultant with Baker Tilly's advisory practice.



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Education

Master's degree in accounting
Texas A&M University (Commerce,
Texas)

Bachelor's degree in accounting
Inter American University of
Puerto Rico, San German Campus

Languages

English
Spanish

Ronald leads internal audits for various governmental entities. He specializes in outsourced internal audits and has experience in all types of audits, including IT, compliance and performance audits. He also has served as an internal auditor and consultant for various local governments dealing with issues from economic development to policy and procedure creation. He has worked as a tax accountant specializing in sales and use tax. Ronald has also served as the lead auditor for a large municipal tax office, specializing in property tax-related projects. Ronald has experience with Managed Care Organizations (MCOs), specifically Medicare and Medicaid funds handling, having participated in performance audits and agreed-upon procedure financial audits of MCOs on behalf of regulators.

Specific experience

- Redbook and Generally Accepted Government Auditing Standards (GAGAS) compliance
- General audit planning, fieldwork and reporting
- NACHA and PCI-DSS compliance reviews
- Large scale performance audits and agreed-upon procedure engagements for municipal and state governments
- Engagement specific and enterprisewide risk assessments
- Sales and use taxes
- Property taxes
- Data analysis
- Internal audit activity building

Continuing professional education

- Certification in Risk Management Assurance (CRMA)
- Certified Government Auditing Professional (CGAP)
- Certified Information Systems Auditor (CISA)
- Certified Internal Auditor (CIA)

Industry involvement

- Institute of Internal Auditors (IIA), Austin chapter
- ISACA (formerly Information Systems Audit and Control Association), Austin chapter

Appendix B: Additional areas of expertise

Specialized services

IT audit and cybersecurity expertise

Decades of serving the public sector with cybersecurity and IT audit services have allowed us to become familiar with the IT risks and threats that local governments like the County face. You can rely on our experience to inform your reduction of IT and cybersecurity risk to acceptable levels and to help you to ensure that your technology investments are secure, reliable and effective in meeting the City's needs. More than 850 clients of all sizes have leveraged our work to:

- Identify opportunities and manage risks associated with IT and cybersecurity
- Understand root causes of control deficiencies and implications of various remediation plans
- Identify the IT and cybersecurity risks relevant to their operations and technical environments
- Align financial management requirements with technology investments
- Evaluate the confidentiality, processing integrity, and availability risks related to a wide variety of deployed technologies
- Better position IT and cybersecurity initiatives, processes and systems to add value to local governments and their constituents
- Develop dashboards to measure key performance metrics and identify trends
- Facilitate critical discussions about technology and cybersecurity risks with leadership and boards

80,000+

*hours of technology and
cybersecurity-related
assessments annually*

Our professionals have served clients with a breadth of IT risk and cybersecurity engagements in the areas listed below:

Application security	IT governance and oversight
Architectural reviews	IT internal controls testing
Breach response and preparedness	IT operations
Board training	IT risk assessment
Change management	Mobile device management and security
Cloud computing	Policies and procedure enhancement
Contract compliance	Pre-/post-implementation reviews
Cybersecurity	Security and network integration
Data clarification	Security assessment
Data security and privacy	Server administration
Disaster recovery, business continuity and incident response	Server configuration review
End point management	Social media audit
End user support	System access control
Enterprise mobility	System backup and recovery

Identity and access management	System development
Incident and problem management	System implementations, changes and upgrades
Information privacy	Targeted phishing assessments
Industry-specific compliance requirements	Vulnerability and patch management
IT cost allocation	Vulnerability and penetration testing
IT general controls review	Web application testing

Baker Tilly has extensive experience in conducting information technology general controls (ITGC) reviews. Given our ITGC and other IT expertise, our team would be well equipped to assist the City in addressing audit findings, including finding 2018-001 in the 2018 Single Audit report.

Over recent years, the cyber risk landscape has changed dramatically. Information assets have become a key operational resource in providing services, and in fueling growth and providing competitive advantage. At the same time, cyberattacks have increased in both frequency and sophistication, posing a threat that requires constant attention.

Baker Tilly has extensive experience in assisting clients, both in the public and private sector, in the area of information security, including internal and external network vulnerability assessments, physical access audits control reviews, social engineering simulated attacks, and more. The following are representative high-level work plans that demonstrate our expertise.

INTERNAL NETWORK	
Purpose	To test the security of the City's internal IT environment. This includes workstations, servers, switching/routing infrastructure, virtualization, storage infrastructure, and other connected IT devices and Demilitarized (DMZ) systems.
Potential activities	Perform internal vulnerability scanning on the City's internal IT environment. Internal scans include: <ul style="list-style-type: none"> – Identification of OS types, applied patches and services running on each system – Identification of known vulnerabilities associated with unapplied patches and insecure services for each system – Risk ranking of vulnerabilities for each system – Recommendations to remediate identified security weaknesses
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report identifies the assets and vulnerabilities discovered.

EXTERNAL NETWORK

Purpose	To identify vulnerabilities in the City's externally facing systems through the performance of penetration testing activities. External systems include firewalls, load balancers, web servers, FTP servers and web service interface points.
Potential activities	<p>Conduct external penetration testing on IP addresses identified by the City. External penetration testing services include:</p> <ul style="list-style-type: none"> – Identification of services and service versions running on each system – Penetration attempts on systems identified that have known vulnerabilities, such as cross site scripting attacks, cross site referencing and SQL injection attacks – External infrastructure attacks, not including denial of service – External data access attacks, including brute force – Deep dive exploitation of any identified weaknesses in external systems into internal systems – Risk ranking of vulnerabilities for each system/service identified – Recommendations to remediate identified security weaknesses
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report identifies the assets and vulnerabilities discovered.

WIRELESS NETWORK

Purpose	To test the security of the City's wireless systems, including internal touchpoints from the City's SSID, broadcast or hidden, as well as encryption levels.
Potential activities	<p>Perform wireless network vulnerability scanning on the City's wireless networks. Scans include:</p> <ul style="list-style-type: none"> – Identification of devices and firmware versions – Identification of known vulnerabilities associated with unapplied patches and insecure configurations of each device – Performance of wireless network attacks to try to obtain access to the City's wireless network – Risk ranking of vulnerabilities for each device/network identified – Recommendations to remediate identified security weaknesses
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report identifies the assets and vulnerabilities discovered.

PHYSICAL ACCESS CONTROLS

Purpose	To test the effectiveness of the City's physical security controls.
Potential activities	<p>Perform physical security walkthroughs and real-world simulations to test the effectiveness of the City's physical security controls. Physical security testing includes:</p> <ul style="list-style-type: none"> – Identification of secure facilities, their access points and the physical security controls in-place for each facility – Identification of potential gaps in security controls – Testing/Exploitation of currently in-place physical security controls to try to obtain access to secure facilities – Risk ranking of identified security control gaps – Recommendations to remediate identified security control gaps
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

REMOTE ACCESS/EXTERNAL PARTNERS

Purpose	To test the security of the City's remote access and security of network connections and data traffic to and from external partners.
Potential activities	<p>Perform walkthroughs and review in-place security controls to identify potential gaps in the City's security controls. This includes:</p> <ul style="list-style-type: none"> – Identification of currently deployed remote access solutions and the controls around managing those solutions – Identification of network connection and data traffic to and from external partners – Performance of a security controls gap analysis to identify security gaps in the remote access and external connections with external partners – Risk ranking of identified security control gaps – Recommendations to remediate identified security control gaps
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

SOCIAL ENGINEERING

Purpose	To test the security of the City's personnel through the performance of social engineering attacks.
Potential activities	<p>Perform social engineering attacks on the City's personnel to verify the existence and effectiveness of procedural controls to prevent unauthorized physical and electronic access to the City's IT network. Social engineering includes:</p> <ul style="list-style-type: none"> – Identification of City employees, employee titles, employee email addresses and employee telephone numbers – Performance of both email based and telephone-based social engineering attacks to try to obtain user credentials or access to the City's IT network – Risk ranking of security controls gaps identified – Recommendations to enhance the City's security awareness and training programs
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

INTERNET USAGE

Purpose	To test the security of the City's URL/web filtering and access restrictions.
Potential activities	<p>Perform a security controls assessment to identify control weaknesses in the City's URL/web filtering solutions. The assessment includes:</p> <ul style="list-style-type: none"> – Identification the City's URL/web filtering solutions – Performance of a security controls gap assessment to identify gaps in the City's currently in-place controls – Risk ranking of security control gaps – Recommendations to enhance the City's URL/web filtering controls
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary will include a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

HOST-BASED SECURITY

Purpose	To test the security of the City's critical systems at the operating system and database layers and associated identity and access management controls.
Potential activities	<p>Perform an assessment of the City's critical systems, including operating system and database security. Additionally, Baker Tilly will review identity and access management controls. These assessments will include:</p> <ul style="list-style-type: none"> – Identification of the City's critical systems, the operating systems and system configurations

HOST-BASED SECURITY

	<ul style="list-style-type: none"> – Identification of the City’s databases, database configurations and database security controls – Identification of the City’s identity and access management controls – Performance of a security controls gap assessment to identify gaps in the City’s currently in-place controls and system configurations – Risk ranking of security control gaps – Recommendations to enhance the City’s system and database level controls, as well as recommendations to improve the City’s identity and access management processes
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

VIRUS PROTECTION

Purpose	To perform a threat assessment to identify gaps in the City’s virus protection program.
Potential activities	<p>Perform walkthroughs to identify virus protection solutions and response procedures. The assessment will include:</p> <ul style="list-style-type: none"> – Identification of virus protection solutions and procedures to respond to a virus outbreak/infection – Performance of a security controls gaps assessment to identify gaps in the City’s virus protection program – Risk ranking of security control gaps – Recommendations to enhance the City’s virus protection controls
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

LOGON SECURITY

Purpose	To evaluate the security of the City’s password policies.
Potential activities	<p>Perform an assessment of the City’s logon security, including:</p> <ul style="list-style-type: none"> – Review of the City’s password policies and current logon auditing practices – Performance of a security controls gaps assessment to identify gaps in the City’s password policies and logon security – Risk ranking of security control gaps – Recommendations to enhance the City’s password and logon security controls

LOGON SECURITY

Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.
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PCI DSS COMPLIANCE GAP ASSESSMENT

Purpose	To identify gaps in the City's PCI DSS compliance, including the people, processes and technology that store, process or transmit cardholder data or sensitive authentication data.
Potential activities	<p>Perform a PCI DSS compliance gap analysis, including:</p> <ul style="list-style-type: none"> – Review of the City's current PCI DSS Report on Compliance (ROC) to understand the Creditholder Data Environment (CDE) – Performance of a PCI DSS controls gaps assessment to identify gaps in the City's PCI DSS security controls and compliance, including the people, processes and technology that store, process or transmit cardholder data or sensitive authentication data – Risk ranking of security control gaps – Recommendations to enhance the City's PCI DSS related security controls
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

REMITTANCE DATA

Purpose	To assess the security of the City's invoice and payment processing environment, including the people, processes and technology that store, process or transmit invoices and billing data.
Potential activities	<p>Perform a security controls assessment for the City's invoice and payment processing environment, including:</p> <ul style="list-style-type: none"> – Review of the City's current invoice and payment processing procedures – Performance of a security controls gap analysis to identify gaps in the controls around invoice and payment processing – Recommendations to enhance the City's invoice and payment processing related security controls
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

ADVANTAGE ARCHITECTURE	
Purpose	To assess the security of the City's IT environment protections.
Potential activities	<p>Perform an assessment of the City's IT environment protections, including:</p> <ul style="list-style-type: none"> – Review of the City's current IT environment protections – Performance of a security controls gap analysis to identify gaps in the controls around the City's IT environment protections – Risk ranking of security control gaps – Recommendations to enhance the City's IT environment protections
Deliverables	Baker Tilly provides two reports: an executive summary and detailed technical report. The executive summary includes a summary of our engagement scope, approach, observations and recommendations so that management is aware of the risks and mitigation strategies that were proposed. The detailed technical report will provide more specific findings related to the assessment and recommendations.

High-profile breaches and their monetary impact have caused local governments to take notice. The imperative to safeguard digital assets is not new, but as organizations become ever more reliant on technology, they are also increasingly vulnerable to information technology weaknesses and cyberattacks. Numerous clients have entrusted us with these needs. The following are representative case studies that illustrate our service offerings.

CYBERSECURITY RISK ASSESSMENT FOR A LARGE GOVERNMENT ENTITY	
Client's need	Baker Tilly was hired to assist a large government in implementing an internal audit function within its government operation, conducting internal audit activities, and hiring and onboarding an internal audit director. Baker Tilly has also assisted in developing internal audit policies and procedures. Each year, Baker Tilly has conducted a risk assessment to prioritize internal audit activities. As part of the second year audit plan, Baker Tilly conducted a cybersecurity risk assessment to assess cybersecurity risks, implementation of related controls, and the technology department's effectiveness in managing cyber security risk.
Baker Tilly solution	The Center for Internet Security (CIS) Critical Security Controls (CSC) framework was used as a baseline reference for conducting the assessment, of which we focused on the control activities that had been implemented or partially implemented by the technology department to manage the IT environment. The in-scope control activities covered the areas of governance and risk management, security operations, data protection and access control, incident response and security awareness. Through a combination of process interviews and review of documentation supporting the in-scope control activities, an assessment of each was conducted to identify strengths, control gaps, weaknesses and improvement opportunities.
Results achieved	Baker Tilly's cybersecurity risk assessment identified ten recommendations which were prioritized by risk rating. In addition, these recommendations were presented with a roadmap of quick wins, moderate priorities and critical items to be addressed immediately. Each recommendation was aligned with the CSC framework and identified the associated risks, specific observations, and recommended actions to

serve as a guide for the government entity. Management used our work to review its efforts in managing, mitigating and monitoring cybersecurity risks.

DISTRIBUTED IT CONTROLS ASSESSMENT

Client's need	A large entity with numerous distributed IT units required subject matter expertise to develop a customized audit work program then conduct audits of multiple IT units. The goal was to validate that IT units in various departments are appropriately protecting the entity's systems and data, following policies and standards.
Baker Tilly solution	Baker Tilly developed a customized audit work program based on ISO 27001, the entity's stated security control framework. Additionally, the work program included specific policy requirements. Baker Tilly conducted fieldwork jointly with the entity's internal audit personnel to conduct interviews, walkthrough and control testing. We assessed the IT environment of each in-scope IT unit by testing 50 controls. Baker Tilly collaborated with internal audit to develop a customized summary report of actionable items to improve controls.
Results achieved	The IT units were able to see how their IT environments complied with the entity's policies and the stated ISO 27001 control framework. Additionally, Baker Tilly identified practical and cost effective recommendations that could be implemented to improve protections of systems and data, as well as to improve the maturity of their IT functions. Leadership of the academic departments was able to compare and contrast how the IT units were performed and understand which areas have increased risk.

ASSESSMENT OF IT RESOURCE ALLOCATION

Client's need	A large governmental entity requested a review of its IT and operational technology (OT) functions to address challenges in balancing resources between the two functions, to obtain input on IT/OT staffing levels and to identify areas for improvement in operational processes and organizational structure.
Baker Tilly solution	Baker Tilly performed an IT assessment which included an internal survey about IT/OT operations and strategic direction, interviews with stakeholders, senior management and IT personnel and a benchmarking survey of similar utilities. The benchmarking survey focused on IT staffing levels, supported hardware and software, project completion rates, spending on resources and support functions.
Results achieved	Baker Tilly gave the utility provider numerous recommendations around IT governance, organizational structure, project management and performance management to enable the IT/OT support functions to be better organized and offer more effective and efficient service. Baker Tilly also developed a future state road map providing implementation guidance to help the utility provide enhanced organizational governance and operating procedures within IT and OT.

Fraud and forensic service offerings

Fraud puts assets, reputations and even freedom in jeopardy. For clients with so much at stake, Baker Tilly brings the breadth of perspective necessary to investigate fully, assist counsel with litigating and remediate any type of financial misconduct.

We supply dedicated forensic services to clients, and support Baker Tilly's forensic accounting experts and investigators in complex situations involving fraud investigations, litigation, claims management and damage analysis. Our forensic technology consultants are experienced in guiding clients through every stage of the engagement.

We operate under the guidelines set out in the ACPO Good Practice Guide for Computer-Based Electronic Evidence and ensure that all acquired data is backed up and kept in our secure laboratory.

The maintenance of evidential integrity is paramount and all movement or handling of evidence is recorded in contemporaneous notes and logs. Our reports can be supported by an expert witness report or statement of fact.

Baker Tilly's forensic technology team is ISO9001 accredited. Our services are detailed below.

Cybersecurity and digital forensics

Forensic technology team members possess a vital mix of skillsets that include software development, IT support, e-discovery, database engineering, digital forensics and cybersecurity/information assurance. The team brings technical and investigative experience from across corporate environments where those skillsets have been learned and executed. The team specializes in cyber risk consultancy, cyber claims reviews and digital forensic investigations. Our work product is thoroughly documented to allow auditing for accuracy, repeatability and verifiability.

Data analytics

The forensic technology team employs advanced machine learning and data mining capabilities to work through large datasets of structured and unstructured data to unravel complex fraud schemes, as well as to create custom data models to meet client needs. The team specializes in developing custom data models, allowing clients to predict customer behavior for increased sales and better targeted service.

E-discovery

Our team streamlines the costly and time-consuming process of electronic disclosure. We have the capability to accurately and efficiently search, locate, consolidate and organize electronic evidence in engagements of all sizes, capturing information from one PC or many, across data management systems or corporate IT networks with multiple platforms, storage and email systems. The service can be tailored as needed to include simple preparation only, or expanded to include processing, review, analysis and presentation of the findings.

– *Fraud and forensic services stats:*

– **3,000+**
forensic engagements

– **400+**
times testified

– **50+**
Certified Fraud Examiners

The following case studies detail recent projects.

MISAPPROPRIATION OF ASSETS	
Client's need	A governmental entity sought to investigate the alleged misappropriation of assets and strengthen their internal controls.
Baker Tilly solution	Baker Tilly analyzed the balance sheet for governmental funds and the statement of revenues, expenses, and changes in net position for propriety funds. We then conducted interviews with selected current City employees; reviewed the roles of key employees and analyzed them for possible segregation of duties issues; and reviewed select internal controls.
Results achieved	We made recommendations for improvement and presented the findings at a council meeting with the entity's officials.

MISAPPROPRIATION OF CASH	
Client's need	A governmental entity sought to investigate and corroborate its internal investigation findings that the director of a specific department was misappropriating cash generated from the municipality's facilities.
Baker Tilly solution	Baker Tilly investigated cash receipts generated at the facility versus the amounts deposited with the entity's bank. As part of that process, Baker Tilly interviewed employees, analyzed the internal controls within the department and identified how those controls were circumvented.
Results achieved	Baker Tilly presented findings at a closed-door meeting with the entity's officials. The municipality submitted our report to law enforcement. The former director pled to the theft charges and received alternative sentencing to incarceration.

PAYROLL FRAUD IN A GOVERNMENTAL ORGANIZATION	
Client's need	An organization noted several disbursements to an employee outside of the payroll system during the compilation of year-end reports and became suspicious.
Baker Tilly solution	We reviewed financial records to establish the extent of the additional disbursements to the employee. The review included reconciling payroll disbursements to approved pay rates, documented time worked and other payroll forms as well as reviewing disbursement records for multiple years to identify the frequency and amount of non-payroll disbursements to the employee. Further, we analyzed additional disbursement records, including reports to the governing body to determine how these disbursements had been concealed from earlier discovery. We provided the board with documentation to support the total amount of unauthorized disbursements, which was used in their criminal prosecution.
Results achieved	The organization successfully prosecuted the employee.

Construction audit

Construction projects are highly visible, complex undertakings requiring significant financial commitments. Our construction audit team originated nearly 20 years ago and currently includes 25 specialists within a group of more than 100 professionals dedicated to providing construction risk management services to corporate internal audit, facility development and other construction risk managers.

We provide the independent financial oversight, strategic guidance and advice on financial controls to help to mitigate project risk and avoid unwanted surprises. We have negotiated claims settlements, designed contracting procedures and uncovered incorrect contractor billing practices for real estate owners and operators. In addition, we have worked to uncover billing or pay application calculation errors, creating a substantial return on investment for our clients.

Our projects scale up to mega facilities, research and development centers, sports facilities and hospitals, and down to rural clinics and office buildings. Our national project experience also includes interior office build-outs, greenfield development and mega power generation plants.

Familiarity with a variety of construction contracts

We have experience performing risk assessments and developing project-specific construction audit programs and methodologies for all contract types. We have worked with governmental agencies during construction projects involving the following contracts:

- Architect agreements
- Design assist subcontracts
- Design build
- Engineer, procure and construct
- Guaranteed Maximum Price
- Integrated project delivery
- Lump sum
- Multiplier
- Time and materials
- Unit price

We work hand in hand with construction contractors from contract negotiation through the final pay application, mitigating project financial risk by providing independent financial oversight and financial controls to your construction project. Our construction contract compliance and cost control program brings a sense of security that your construction project budget, policies and ethics are protected.

CONSTRUCTION CONTRACT AUDIT FOR LARGE TEXAS MUNICIPALITY	
Client's need	Baker Tilly assisted the City with multiple municipal projects covering required assistance with utility construction, local roads and bridges and facility construction with an overall capital construction budget in excess of \$200 million.
Baker Tilly solution	<p>We examined the billing compliance for a portfolio of civil projects for the municipality. Our scope of work included:</p> <ul style="list-style-type: none"> – Contractor billing compliance – Labor rate compliance – Change order analysis – Change order control review – Bid and award compliance – Project management process review – Process improvement recommendations
Results	The City was provided recommendations for improving their processes and given assurance that it was correctly billed by the various third-party contractors involved.

CONSTRUCTION AUDIT FOR MUNICIPAL UTILITY	
Client's need	The municipality was undertaking a design build project, valued at \$250 million to \$300 million will bring Lake Michigan water to a municipality in Wisconsin, 18 miles west of Milwaukee.
Baker Tilly solution	<p>The multiyear project requires extensive construction disciplines, including underground construction, vertical construction, right of way negotiation, geotechnical engineering, inspection and approval, multiple prime contractor coordination, hydrogeology consulting, civil engineering and electrical engineering.</p> <p>Engaged at pre-construction, we provided embedded auditor with continuous monitoring services. Specific tasks included:</p> <ul style="list-style-type: none"> – Service provider proposal analysis – Labor and equipment burden rate analysis – Contract risk analysis – Progress and billing meeting participation – Project cost monitoring and reporting – Invoice accuracy and contract compliance monitoring – Overcharge detection and invoice credit valuation – Status reporting – Oversight committee reporting – Contract financial term compliance – Resolve outstanding audit issues and findings with
Results	The utilities project is in progress. Baker Tilly's construction auditors have collaborated with the utility to provide the services listed above.

Organizational and operations assessments

Ever aware of the need to balance the needs of diverse constituents against constrained revenue streams and conflicting priorities, public leaders are increasingly challenged to effectively deploy scarce resources while maintaining the highest levels of accountability and transparency.

Baker Tilly's public sector performance optimization team helps local governments achieve this balance. Our experienced consultants work with you to establish strategic objectives and design creative approaches to achieve them. Our results-focused consulting approach helps ensure your resources are invested in a manner that addresses both your constituents' needs and your organizational capacity. We help state and local government leaders develop strategic clarity, align resources with priorities, strengthen performance, optimize processes and leverage technology.

Services include:

- Best practices diagnostics
- Process improvement
- Data analytics and business intelligence
- Human capital/talent management
- Organizational design and staffing needs assessment
- Organizational culture and change management
- Performance management

- Technology strategy and operational alignment
- Software system selection and implementation support
- Strategic planning

Case studies describing recent projects appear below.

MANAGEMENT AUDITS FOR THE BI-STATE PUBLIC TRANSPORTATION AGENCY	
Client's need	We created by a compact agreement between two states, regarding the ownership and operation of four toll bridges and the operation of a high-speed commuter rail service connecting Center City Philadelphia and the New Jersey suburbs. The compact required a "management audit of its operational effectiveness and efficiency be conducted by an independent consulting firm...". The management audits are overseen by an Audit Committee of the board and directed by the Authority's Inspector General.
Solution	<p>Baker Tilly directed the most recent two management audits, including the 2015 management audit and the 2017 audit of the agency's toll bridge operations. The goal of the bridge operations management audit was to assess the operational efficiency and organizational effectiveness of the agency's management of four "signature" toll bridges linking the New Jersey suburbs on the eastern side of the Delaware River to downtown Philadelphia and its southern suburbs. The multi-disciplined audit team focused on the agency's processes, practices and technologies for long-term management of its assets, which serve millions of commuters each year and represent the primary revenue source to the agency. Additionally, the team adequacy of the internal support services delivered to bridge operations, including Human Resources, Finance, Information Technology, Legal, Purchasing and Contract Administration.</p> <p>The 2015 management audit included a thorough, objective and independent assessment of the operational efficiency and effectiveness of services and operations and the development of recommendations to maintain and improve service to its customers while reducing or moderating operating losses.</p>
Results	In both cases, the management audit team developed a comprehensive set of findings, observations, and recommendations to strengthen the agency's organizational effectiveness, operational efficiency, safety and compliance programs, and internal controls. Each audit also included the development of a detailed implementation plan for the use of the Inspector General in monitoring and reporting on implementation progress. A comprehensive process for documenting management's response to the audit findings and recommendations was included in the project scope.

STRATEGIC PLANNING AND ORGANIZATIONAL ASSESSMENT	
Client's need	A municipality in New York wants to reach its vision of being “the best mid-sized city in the U.S. in which to live, raise a family, visit and grow a business.” To achieve this vision, the City needed to ensure that its overall operations focused on achieving its objectives as an organization. The City’s needs focused on reevaluating its objectives as a whole and utilizing those objectives to prioritize City operations.
Solution	<p>Baker Tilly’s state and local government specialists conducted a Strategic Planning Assessment and Organizational Assessment of City operations. The Strategic Planning Assessment focused on establishing strategic objectives and associated key performance indicators (KPIs) aligned with the Mayor’s vision, which provided guidance to departments for resource allocation and execution of KPIs.</p> <p>The team’s Strategic Planning Assessment resulted in a Strategic Map/Road Map, Data Reporting Strategies, and a Communication Plan. Baker Tilly’s dedicated professionals also developed an Organizational Review Report that outlined 18 essential findings and recommendations that the City could take to remedy its challenges with recommended implementation priorities.</p>
Results	Using the Strategic Road Map and prepared Organizational Review Report, the City focused its resources in identified areas to develop a strategy and plan to address Baker Tilly’s recommendations. The City utilized the report to determine timelines, prioritize findings and strategize long-term goals as a whole to achieve the Citywide vision.

Financial management

Baker Tilly offers a broad array of services that help local leaders resolve the financial issues they face as they work to improve the quality of life in their communities. The cornerstone of our services are financial analyses that assist our clients with resource allocations, bond ratings, financial planning, internal management, reporting and the many other influences that require comprehensive analysis. Our specialized team works closely with you to develop comprehensive solutions driven by data and rooted in best practice – helping you win today and anticipate tomorrow.

We draw upon deep experience serving large governments both across the nation, including the City of Chicago, City of Milwaukee, City of Houston, City of Cincinnati, City of Fort Worth, City of Minneapolis, City of Seattle, City of Saint Paul (MN), City of Kansas City (MO), City of San Antonio, City of Kansas City (KC), City of Baltimore, Baltimore County, and City of Colorado Springs, among others. Sound financial management and planning are essential for organizational success. Baker Tilly has been assisting clients in these areas for decades. Some of the more innovative products we have developed include our comprehensive financial planning (CFP) model.

Appendix C: Our values

Standing on our values

Our core values infuse our culture and drive the way we plan to work with the City. They are what we believe and what we expect from each other. They guide our decisions, inspire our actions and gauge how we do business. They are shorthand for what we stand for – and what we stand against. Our core values, highlighted below, are fundamental and timeless and come to life through our own experiences and personal expression.



SHARED CULTURES, VALUES, PHILOSOPHIES AND GOALS

The City and Baker Tilly have a strong cultural fit, and our commonalities will lay the foundation for trust, open communication, a seamless project approach and an enduring relationship.

Commitment to Diversity, Inclusion and Belonging for Success (DIBS)

At Baker Tilly, diversity, inclusion and belonging is **who we are** rather than **what we do**. Creating an environment where all team members are valued empowers us to bring our authentic selves to work each day. **When our contributions reflect our individual best, we achieve better results for the City.**

Belonging is a core Baker Tilly value. We foster a deep level of mutual respect where each one of us feels seen, heard, valued and connected. Each team member commits to upholding a diverse and inclusive workplace driven by fairness, compassion and equality.

Throughout the firm, you will find our DIBS philosophy and practices embedded into everything we do. We hire people who bring new perspectives and experiences. We embrace our differences and believe a more open, connected world serves everyone better. DIBS is the lens that helps us see things more broadly and lights the path for us to follow. This benefits our people, our clients and our communities.

We choose to embed DIBS into all aspects of our business – from strategy to operations.

From how we recruit, develop and promote team members to the way we serve clients, manage projects and treat each other.

Day in, day out.

DIBS steering committee

Baker Tilly's national DIBS steering committee is designed to strengthen our firm's culture of diversity, inclusion and belonging. Theresa Nickels, principal and general counsel, chairs this committee. A cross section of leaders across the firm oversee our strategy – from inclusion-related communications to accountability measures for our key diversity goals and coordination of our signature initiatives described below.

**Growth and Retention of Women (GROW)**

Through our GROW initiative, Baker Tilly provides women valuable opportunities to network, share their stories, acquire skills, strengthen professional relationships and advance in their careers. Our commitment to GROW increases the number

of women in management positions, enhances the retention of women at all firm levels, creates an environment where women feel empowered and supports our advocacy of advancing women in business. It also helps us share knowledge gained with clients and creates a workforce that reflects our client base.

**Supporting Opportunity, Advancement and Retention for all (SOAR)**

SOAR focuses on improving inclusion and increasing retention of team members of color to create a more inclusive, innovative and productive workforce. Diversity makes each of our professionals unique; inclusion is how that unique team collaborates to achieve common goals. Our SOAR strategy rests on four key pillars: talent acquisition, advancement, education and awareness, and recognition.

**NexGen: joining workforce generations**

Today, four generations coexist in the workplace – baby boomers, Gen X, millennials and Gen Z – and each brings unique viewpoints influenced by events and experiences in their lifetime. With NexGen, we aim to empower the next generation of team members to collaboratively engage in the firm's progress while promoting an overall investment in our future. Key components of NexGen's vision involve discovering how different generations can build rewarding professional relationships that are mutually beneficial. NexGen amplifies the voices of our firm's next generation of professionals – providing leadership and growth opportunities along the way.

**PRIDE team member network**

Our PRIDE team member network exists to support the LGBTQ+ community and their allies within Baker Tilly. We strive to create an open environment centered on LGBTQ+ issues and topics relevant to the workplace. This effort includes the involvement, support, understanding and acceptance from colleagues across the firm.



Racial Equity Action Plan (ACTION) and focus on social justice

Our firm developed an ACTION plan to support our strategic goal of increasing the retention of team members of color and also to create positive change in our communities and our profession. As initial steps in our plan, we convened our DIBS steering committee and formed a racial equity advisory group consisting of a diverse group of team members.

We then worked closely with a highly respected consulting firm to assess the current state of our workplace as it relates to diversity, inclusion and racial equity. We used their recommendations to refine our DIBS strategic plan and inform the next steps in our journey.



Over the past year, Baker Tilly team members have taken the time to have difficult conversations and reflect deeply. Colleagues shared stories of how racism and discrimination affect their daily lives – stories they did not feel comfortable sharing before. Others gained new insight into their own unconscious biases and the steps needed to overcome them.

As a firm, we are committed to continue on this learning journey and achieve tangible results together.

Baker Tilly Foundation support for racial justice advocacy

As a firm, we have made our position clear: we stand against racism and discrimination in any form. The Baker Tilly Foundation Board of Directors, with input from our team members, recently selected key racial justice organizations as recipients of direct financial support from our firm with a commitment to match team member donations. Additionally, our local SOAR committees support social justice causes across the United States through event sponsorship, fundraising initiatives and volunteer engagement.



Tone from the top: CEO Action for Diversity & Inclusion

Baker Tilly is a member of [CEO Action for Diversity & Inclusion](#), a steering committee of CEOs focused on making diversity and inclusion a business priority. CEO Action for Diversity & Inclusion is the most extensive alliance of business leaders openly committed to sharing successful diversity initiatives and lessons learned. As a member, Baker Tilly pledges to:

CEO **ACT!ON FOR
DIVERSITY & INCLUSION**

- Make our workplace a safe place to have open conversations about diversity and inclusion
- Implement and expand unconscious bias education
- Share best, and unsuccessful, practices
- Create and share strategic inclusion and diversity plans with our board of partners

Public recognition and awards from independent publications for our diversity and inclusion efforts

Journal of Accountancy article featuring Baker Tilly's diversity initiatives: ["The business case for diversity and inclusion at CPA firms"](#)

Winner of **Corp! Magazine's** ["Salute to Diversity" Award](#)

Pennsylvania Institute of Certified Public Accountants (PICPA) article by a Baker Tilly staff discussing her experience with diversity at the firm:

In 2018, the National Association of Black Accountants (NABA) Metropolitan Washington, D.C.,

[“CPA Now – My Experience with a Diversity Initiative”](#)

Twin Cities Business article highlighting Baker Tilly’s commitment to our GROW initiative: [“All In: Hiring Women Executives”](#)

chapter [named Baker Tilly its Corporate Partner of the Year](#)

In a 2017 article, Partner Emeritus Julius Green is profiled as the inspiration behind the [Inspire Future CPAs program hosted by the PICPA](#)