



Certified Public Accountants

PROPOSAL TO PROVIDE PROFESSIONAL AUDITING SERVICES FOR TOPEKA METROPOLITAN TRANSIT AUTHORITY

January 28, 2020

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January 28, 2020

Topeka Metropolitan Transit Authority
c/o Richard Appelhanz
201 North Kansas Avenue
Topeka, Kansas 66603

Dear Mr. Appelhanz:

BT&Co., P.A. (BT&Co.) is pleased to have the opportunity to submit this proposal to provide professional auditing services to the Topeka Metropolitan Transit Authority (the Authority) for the years ending June 30, 2020, 2021, 2022, 2023 and 2024. The Authority has been a valued client of our firm. We pledge that you will continue to receive quality service from quality people. Our top-quality cost-effective service is the best evidence of our ability to service the Authority's needs. The following proposal describes more fully why and how we perform more effectively than any other firm. It describes our:

1. **Professional Reputation and Proven Experience** - As illustrated by the client list provided and years served, our firm is well established in providing services to governmental clients. While many of our peers have decided to leave the governmental and nonprofit industries, we have continued to invest in them by committing substantial human, technological and training resources toward serving governmental clients. We know that governmental entities are being held to ever-higher levels of scrutiny, public accountability, and demands for efficiencies and performance, and we are committed to helping you meet those expectations.
2. **Service Record** - The references provided will indicate our impeccable service record with clients. We believe that our current involvement with other governments and with the Authority has demonstrated our ability to perform to your specifications both from quality and timeliness viewpoints, including the availability of client-service team individuals, which enables us to respond to day-to-day inquiries promptly. We are committed to performing the work within the time frame prescribed in the request for proposal.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.



Mr. Richard Appelhanz
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3. **Staffing** - We have committed to assign experienced government auditors to the engagement team. This would include Stacey Hammond, Karen Linn, and Cynthia Darting. Because of the significant amount of governmental auditing that we perform, all of our audit team meet the GAO continuing professional education requirements. Our staffing will provide for an effective and timely audit and will result in minimum disruption to the operations of the Authority.
4. **Competitive Professional Fees** - We believe that the audit fees we are proposing are fair considering your reporting requirements and are commensurate with the work to be performed.
5. **Research Abilities** - We are formally associated with the world's fifth-largest accounting firm, RSM US LLP. As a member of the RSM US Alliance, we have access to the most up-to-date, industry-specific information available and some of the most sophisticated practitioners in the accounting profession. BT&Co.'s experience and expertise, combined with RSM US LLP's resources, will maximize the value of your audits.

We believe the attached proposal meets the requirements of your request for proposal. If you have any questions in regard to the proposal or require additional information, please do not hesitate to contact the undersigned.

Very truly yours,

BT&CO., P.A.

Stacey A. Hammond
Director

SAH:tls

TOPEKA METROPOLITAN TRANSIT AUTHORITY

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INDEPENDENCE AND LICENSE

Statement of Independence

In accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, BT&Co. affirms independence of the Authority. BT&Co. will maintain an independence of mental attitude in all matters related to this engagement and, further, in accordance with the professional ethics established by the American Institute of Certified Public Accountants, BT&Co. affirms that no member of the firm has had any direct or indirect business or investment relationship or other professional relationship with the Authority over the past five years. If engaged to perform the audit, BT&Co. will give the Authority written notice of any professional relationships entered into during the period of this agreement which may result in a conflict of interest.

License to Practice in Kansas

Both the firm and all assigned key professional staff are properly licensed to practice in the State of Kansas.

PROFILE OF BT&CO.

The Firm

BT&Co. has been serving clients from our Topeka, Kansas office since 1913. Our personnel numbers 60 with 50 professional staff, including 26 certified public accountants and 14 governmental audit staff. We provide auditing, accounting, tax and management consulting services to a diverse group of clients. We are a member of the American Institute of Certified Public Accountants and participate in quality control programs. The firm is a member of the AICPA Governmental Audit Quality Center. It is anticipated that this audit will be staffed with Director Stacey Hammond, Manager Cynthia Darting, and at least one staff member. In addition, Managing Director Karen Linn will be responsible for the independent quality review.

BT&Co. believes that every client, regardless of its size, is clearly entitled to expect the following:

- Frequent contact with, and ready access to, the engagement team. It goes without saying that this contact can be expected throughout the year and not just when audit activities make it necessary.
- Timely service from a competent team that fully understands the client's business and industry. Our concern for the client's operating efficiency is as great as the concern for strict compliance with governing standards and regulations.

Our client list numbers in excess of 200 audit clients and includes a broad spectrum of state and local governmental agencies and nonprofit organizations. Our firm's reputation for retention of clients is excellent.

Membership in Professional Organizations

BT&Co. personnel are active in numerous professional organizations. The organizations in which the principals and team participate include the following:

1. American Institute of Certified Public Accountants.
2. AICPA Governmental Audit Quality Center.
3. Kansas Society of Certified Public Accountants.
4. Northeast Chapter of the Kansas Society of Certified Public Accountants.
5. Association of Government Accountants.
6. Government Finance Officers Association (GFOA).

Quality Control/Peer Review

All audits are reviewed by the audit director and independent quality reviewer assigned to the engagement. This includes a detailed review of every work paper, and a review of the financial statements and related opinions. These reviews will be performed by Stacey Hammond, as director, and Karen Linn, as independent quality reviewer. BT&Co. quality control procedures include extensive policies and procedures relating to independence, assignment of personnel, supervision, hiring, professional development, and inspection. The inspection includes intraoffice professional practice review as well as a peer review. During October 2017, BT&Co. completed a quality control review performed by external certified public accountants in accordance with the requirements of the American Institute of Certified Public Accountants. This quality review, which included governmental engagements, resulted in a “PASS” Rating, which is the highest possible rating. A copy of this report is included at the end of this document.

Research Abilities

BT&Co. has been a proud member of RSM US Alliance since 1998. RSM US Alliance is a premier affiliation of independent accounting and consulting firms in the United States, with more than 75 members in over 38 states, the Cayman Islands and Puerto Rico. This affiliation gives us access to a full range of national and international capabilities.

As a member of RSM US Alliance, BT&Co. has access to resources and services RSM US LLP provides its own clients. RSM US LLP is the leading provider of audit, tax and consulting services focused on the middle market, with more than 9,000 people in 86 offices nationwide. RSM US LLP is a licensed CPA firm and the U.S. member of RSM International, a global network of independent audit, tax and consulting firms with more than 38,000 people in over 120 countries.

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

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM US LLP and RSM International. RSM, the RSM logo and RSM US ALLIANCE are trademarks of RSM International Association or RSM US. The services and products provided by RSM US Alliance are proprietary to RSM US LLP.

GASB Statements Experience and Consulting

New GASB statements are having a significant impact on the financial statements of governmental entities. BT&Co. has been instrumental in providing training to governments and the facilitation of discussions between entities to assist finance directors in learning and implementing the changes that these statements bring. The assigned team has led numerous training sessions on GASB standards and governmental accounting over the past several years.

The entire audit team of BT&Co. has also attended training sessions to ensure that the firm is at the forefront of the implementation of these issues, thus giving our team the expertise to assist the Authority in the implementation of these standards.

Additional Professional Services

BT&Co. also provides a broad range of management consulting services to governmental and nonprofit clients including financial planning and control, operations management and control, program and performance evaluation, and general management. Our consultants understand the specific management needs of governmental and nonprofit administrators at all levels and are knowledgeable about many factors, such as constitutional, legislative and administrative requirements or constraints, which are important to success in governmental and nonprofit consulting engagements.

We are prepared to provide the Authority with our full range of consulting services. Prior to commencing consulting services, we will evaluate such services to ensure that their performance will not impair our independence. The related estimated fees will be approved by the administration prior to commencing the work.

TEAM QUALIFICATIONS

Personnel/Continuity

We propose assigning the following individuals to the 2020 and subsequent engagements:

Director	Stacey Hammond
Independent Quality Reviewer	Karen Linn
Manager	Cynthia Darting

In addition, the audit will be staffed with three other auditors on a full-time basis.

As a result of the firm's commitment to the governmental and nonprofit industries, our team members are trained in the concepts of governmental and nonprofit audits thus assuring the quality of our staff. These individuals have extensive governmental experience and have previously participated in audits of many municipalities. As mentioned previously, all of our audit team have met the GAO continuing professional education 80-hour and 24-hour requirements. Thus, our staffing will bring a combination of experience and expertise to the audit engagement, resulting in efficient and effective audits with little disruption to the Authority's daily operations.

Brief Resumes of Audit Team

Engagement Director – Stacey Hammond, CPA, CGFM

Stacey is a director in our office and is a certified public accountant and a certified government financial manager who has over 25 years of experience, with extensive experience auditing governmental entities. She has assisted many clients with report presentation, statistical information and review of technical financial statements for submission to the GFOA Certificate of Achievement Program. Stacey is a graduate of Kansas State University and the University of Kansas. She is a member of the American Institute of Certified Public Accountants, the Kansas Society of Certified Public Accountants, and the Government Finance Officers Association. Stacey is licensed to practice as a certified public accountant in Kansas and has met the Yellow Book requirement of continuing education hours in each of the past three years. She has attended AICPA, GFOA and RSM continuing education conferences and seminars on accounting, auditing and reporting for governmental entities over the past three years.

Stacey's role during the audit will be to participate in the planning of the audit and to perform the partner review of the planning documentation, audit workpapers, and financial statements.

Independent Quality Reviewer – Karen K. Linn, CPA, CGMA

Karen is the managing director in our office and is our Government Services Coordinator. She is a certified public accountant with over 35 years of diversified experience in the public accounting field. Karen has extensive municipal and governmental experience. In addition, she has performed and managed audits of cities, counties, the State of Kansas, school districts, and universities, including single audit experience. Karen is either an engagement director or the independent quality reviewer on all of our government audit engagements. Karen has been instrumental in assisting clients in understanding Governmental Accounting Standards Board Statements through training sessions and roundtable discussions. She has assisted many clients with report presentation, statistical information and review of technical financial statements for submission to the GFOA Certificate of Achievement Program. Karen also has experience reviewing official statements for long-term debt financing.

Karen is a graduate of Bethel College. She is a member of the American Institute of Certified Public Accountants, the Kansas Society of Certified Public Accountants and the Northeast Chapter of the Kansas Society of Certified Public Accountants. Karen is licensed to practice as a certified public accountant in Kansas and has met the Yellow Book requirement for governmental continuing education hours in each of the past three years. Karen has attended numerous AICPA, GFOA and RSM continuing education conferences and seminars on accounting and auditing for governmental entities over the past 3 years. Karen is the firm's designated Audit Director for firm-wide responsibility for the quality of the firm's governmental audit practice (Governmental Audit Quality Center requirement).

Karen's role during the audit will be to perform the independent review of the financial statements.

Manager – Cynthia Darting, CPA

Cynthia is a director in our office and is a certified public accountant who has over 22 years of experience, with extensive experience auditing nonprofit organizations. Cynthia is a graduate of Creighton University. She is a member of the American Institute of Certified Public Accountants, the Kansas Society of Certified Public Accountants and the Northeast Chapter of the Kansas Society of Certified Public Accountants. Cynthia has attained the AICPA Advanced Single Audit Certificate. Cynthia has served as all board officer positions for the Board of the Northeast Chapter of the Kansas Society of Certified Public Accountants. She has attended AICPA, GFOA and RSM US LLP continuing education conferences and seminars on accounting, auditing and reporting for nonprofit and governmental entities. Cynthia is licensed to practice as a certified public accountant in Kansas.

Cynthia's role during the audit will be to participate in the planning of the audit, to provide supervision over the audit fieldwork, and to perform a detailed review of the audit planning documentation, audit workpapers, and financial statements.

CLIENT REFERENCES

The following may be contacted regarding the qualifications of the Firm and/or individual members of our engagement team:

Ms. Tammy Schaffer
Director of Finance
City of El Dorado, Kansas
(316) 321-9100

Ms. Donna Pickman
Director of Finance
City of Newton, Kansas
(316) 284-6019

Ms. Jean Epperson
Director of Finance
City of Derby, Kansas
(316) 788-1519 ext. 1261

OTHER GOVERNMENTAL AUDIT EXPERIENCE

The following is a listing of our current governmental clients served.

City of Atchison, Kansas (1)(2)(3)
City of De Soto, Kansas
City of Derby, Kansas (1)(2)(3)
City of El Dorado, Kansas (1)(2)(3)
City of Gladstone, Missouri (1)(2)(3)
City of Hiawatha, Kansas
City of Manhattan, Kansas (1)(3)
City of Mission, Kansas (2)(3)
City of Newton, Kansas (2)(3)
City of Ponca City, Oklahoma (1)
City of Prairie Village, Kansas (2)(3)
City of Stillwater, Oklahoma (1)(2)
Auburn-Washburn U.S.D. No. 437 (1)
Fort Leavenworth U.S.D. No. 207 (1)
Information Network of Kansas, Inc.
Jefferson County North U.S.D. No. 339
Jefferson West U.S.D. No. 340
Santa Fe Trail U.S.D. No. 434
Shawnee Heights U.S.D. No. 450 (1)
Topeka Public Schools U.S.D. No. 501 (1)
Highland Community College (1)
Missouri Department of Natural Resources Clean Water State Revolving Fund
Missouri Department of Natural Resources Drinking Water State Revolving Fund
Sac and Fox Gaming Commission
Topeka and Shawnee County Public Library
Metropolitan Topeka Airport Authority (1)

Key:

- (1) – Indicates a single audit requirement during at least one of our years of service to the client
- (2) – Indicates submission to GFOA and receipt of Certificate of Achievement for Excellence in Financial Reporting
- (3) – Indicates that BT&Co., P.A. assists the client with preparation of the Comprehensive Annual Financial Report

AUDIT APPROACH

Scope and Objectives

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and, accordingly, will include such tests of the accounting records and such other auditing procedures as we consider necessary in the circumstances to express an opinion on the financial statements of the Authority. The Authority's audit would be conducted in accordance with the following:

- *Government Auditing Standards*, (current applicable revision), issued by the Comptroller General of the United States.
- The AICPA industry audit guide, *Audits of State and Local Governments* (current applicable revision).
- Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- *OMB Compliance Supplement*.
- The Single Audit Act of 1984, including amendments in 1996.
- *Kansas Municipal Audit and Accounting Guide* approved by the State of Kansas Division of Accounts and Reports.

We anticipate the issuance of the following reports:

- An opinion as to whether each opinion unit in the basic financial statements is presented fairly in accordance with accounting principles generally accepted in the United States of America and an opinion as to whether the Schedule of Expenditures of Federal Awards is presented fairly in all material respects in relation to the financial statement taken as a whole.
- A report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with Uniform Guidance.
- A report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statement in accordance with *Government Auditing Standards*.
- A schedule of findings and questioned costs, including the following three components:
 - A summary of the auditors' results, including components required by the Uniform Guidance
 - Findings and questioned costs for the financial statement which are required to be reported in accordance with GAGAS.
 - Findings and questioned costs for Federal awards including reportable conditions and material weaknesses, if any, related to major programs. Any items reportable as required under Uniform Guidance would be reported here.

Audit Performance

An audit of financial statements requires the auditor to assemble raw information, analyze this material and report the results. In recent years, BT&Co. has used audit techniques to match the increasing sophistication of management information systems and the growing need for an effective and reliable system of internal accounting controls.

This section describes how BT&Co. will conduct the audit of the Authority. While audits by different firms may appear to be identical, they can be differentiated if two characteristics are considered:

- The extent to which the auditing firm attempts to obtain an understanding of the client in advance of the audit and tailor the auditing procedures to the conditions and needs of the client; and
- The additional skills and processes the auditor can bring to the engagement which will translate into an effective and efficient audit.

We believe our approach has such characteristics. Our examination will include:

- Planning,
- Systems evaluation,
- Testing, and
- Reporting.

Planning

The planning phase establishes the proper foundation for the direction of the audit. It encompasses the following tasks:

- Obtain an understanding of the operating environment in accordance with auditing standards. This will begin with the necessary understanding and documentation of the environments in which the Authority operates. An understanding would be obtained through interviews with personnel, review of documents and observation of systems in place at the Authority.
- Review information technology operations including current status and anticipated changes.
- Conduct analytical reviews. One of the most inefficient ways to conduct an audit is to spend significant time examining transactions that have little or no importance to the financial statements as a whole, or which represent minimal risk. In analytical reviews, however, the auditor studies the budgets and financial statements and looks for unusual trends and results. At this time, interrelationships of other functional areas with the accounting system are identified. Extended audit procedures can then be focused on the areas of unusual results or potential audit risk. Our staff is trained in the concepts of analytical review, and we will utilize the technique in conducting the audit of the Authority's systems.
- Identify major areas of audit concern and define major audit objectives. This would include determining laws and regulations that will be subject to audit test work through review of Authority minutes, review of financial statements and interviews with management personnel.
- Meet with the Authority's personnel to discuss planning, procedures, timing, etc.
- Finalize the audit plan.

Systems Evaluation

The work accomplished in the planning phase provides the framework for a review of the systems and procedures and the determination of the extent to which they can be relied on to produce reliable financial data. As a result of this review, we will determine that a clear and concise delineation of the flow and recording of accounting transactions is documented. This review and determination is called the systems evaluation phase. It includes three tasks:

- Review internal accounting control systems.
- Identify areas of risk.
- Develop a tailored audit program that responds to the identified risks.

Testing

Once the tailored audit program is developed, we will conduct both compliance tests and substantive tests.

- **Compliance Tests** - We will test compliance with established control procedures by ascertaining that the significant strengths within each system are functioning as described. Particular attention will be placed on controls over the processing of information related to the major areas of audit concern. We will also identify and test for compliance with applicable laws (including state statutes), regulations and governmental policies, including single audit test work, if applicable. Samples will be drawn as necessary to test controls using random sample techniques to the extent the population lends itself to such a process. In the event the sample does not lend itself to random sampling, a haphazard sample will be selected from the population.
- **Substantive Tests** - These tests are designed to provide reasonable assurance as to the validity of the information produced by the accounting system that appears on the financial statements. The extent of our detailed substantive work will be governed by the results of our compliance tests of accounting internal controls. These tests will include third party confirmation of your financial institution accounts and other investments and accounts which lend themselves to confirmation. A detailed analytical review will be performed during this phase of the audit work to identify in detail the unusual trends or relationships which may indicate a need to test further. Corroborating evidence will be obtained to support changes that have occurred.

Use of Software

BT&Co. uses CaseWare Working Papers software (specifically tailored for RSM), allowing us to perform our audits in a “paperless” environment, which increases efficiency and reduces waste. Our firm also uses a secure and encrypted file sharing system to transmit documents and information via email. We will provide the Authority with electronic and paper audit reports. We also retain our audit workpapers and reports electronically in a document management system.

Reporting

All governmental audits are reviewed by the audit director and by the independent quality reviewer assigned to the engagement. This includes a detailed review of every work paper, and a review of the financial statements and related opinions. Stacey Hammond, director, and Karen Linn, independent quality reviewer, will perform these reviews. At the conclusion of our audits of the financial statements, we will issue our reports in accordance with the scope of our examination previously discussed.

Internal Control Deficiencies Letter

We place great emphasis on preparing the internal control deficiencies letter which contains constructive, practical recommendations regarding internal control and operating improvement opportunities, including significant deficiencies and material weaknesses, if any. Many of our internal control points are developed during our internal control reviews and testing of the systems for compliance.

Thus, we like to view management letters as more than a vehicle for citing and eliminating weaknesses in internal accounting control. Our extensive government practice has made us keenly aware of, and familiar with, various government operations. We have used the letter to recommend ways the accounting and related systems can be made more efficient and effective. The letter is reviewed initially with the appropriate Authority officials while the comments are in draft form.

Other

We are responsible for communicating and interpreting significant changes in governmental reporting. This will include inquiries received from Authority staff during the year.

The Governmental Accounting Standards Board issues statements periodically that have a significant impact on governmental financial statements. BT&Co. assists our governmental clients with the implementation of these standards through training sessions and/or roundtable discussions or consultations as required, due to the complexity of the new standard.

Timing

We would begin our planning of the engagement as soon as the contract is awarded. As shown in the past, our staff size is sufficient to complete the fieldwork in the time frame required by the Authority.

Authority Staff Support

BT&Co. always strives to conduct audits in an efficient manner that will minimize disruptions to the operations of the Authority. As part of our audit process, we will request that the Authority provide for our examination copies of certain documents and workpapers such as bank reconciliations, details of investments, capital assets, debt, workpapers documenting the calculation of receivables and liability accruals, and account activity details for certain accounts. We will also request that the Authority prepare confirmations and pull files and invoices. We would not require any assistance from the Authority's finance staff outside of normal business hours.

PRICING

Our all-inclusive maximum fee (including expenses) for the audit is detailed in the attached Price Quote. The quoted fees for the single audit include one major program.

Our professional fees are based upon hourly rates which, in turn, are based upon the experience level of the assigned personnel. Our philosophy in determining professional fees is that such fees should be competitive and should enable us to provide continuing, responsive service of the highest quality without substantial fee increases in subsequent years.

The actual fees billed in each year will not exceed the all-inclusive maximum fee unless unanticipated changes in the scope of our work are required due to (1) a change in the operating size of the Authority, (2) a change in applicable laws, regulations or generally accepted auditing standards as applied in the United States, (3) new accounting standards are issued that have a significant effect on the Authority and/or (4) the incomplete or untimely receipt by us of the information on the client participation list which significantly affects our ability to perform our audit procedures on a timely and efficient basis. All other provisions of this proposal will survive any fee adjustment.

As part of our commitment to the Authority, we will not charge you for phone calls, questions, or letters and communications on matters such as new accounting and reporting issues, etc., unless significant time is required for research and response. Accordingly, all of the time and expenses for routine inquiries are included in our fee quote. We understand that any fees for additional work would require advance approval. We would submit an engagement letter to the Authority with a cost proposal before beginning any work outside of the audit scope.

Our current governmental audit services hourly rates, by professional classification, are as follows:

Director	\$ 230
Manager	\$ 165
Senior	\$ 120

Report on the Firm's System of Quality Control

December 4, 2017

To the Directors of
Berberich Trahan & Co., P.A.
and the Peer Review Committee of the Kansas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Berberich Trahan & Co., P.A. (the firm) in effect for the year ended June 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Berberich Trahan & Co., P.A. in effect for the year ended June 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Berberich Trahan & Co., P.A. has received a peer review rating of *pass*.

Brown Smith Wallace, LLP

Brown Smith Wallace, LLP

PRICE QUOTE

Audit for Fiscal Year Ended 06/30/2020	\$ 15,500
Audit for Fiscal Year Ended 06/30/2021	\$ 15,600
Audit for Fiscal Year Ended 06/30/2022	\$ 15,700
Audit for Fiscal Year Ended 06/30/2023	\$ 15,800
Audit for Fiscal Year Ended 06/30/2024	\$ 15,900
Additional Charges	\$
2 or more major programs for single audit	\$ 4,000 per major program
	\$
	\$
	\$

Topeka Metro is tax exempt. Do not include sales tax in your proposed price.

DISADVANTAGED BUSINESS ENTERPRISES (DBE) CERTIFICATION

This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. Metro's overall 2019-2021 goal for DBE participation is 2.00%; the race neutral goal is 1.12%, and the race conscious goal is 0.88%. There is no contract goal for this procurement.

The contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Metro deems appropriate. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work from Metro.

The contractor may not hold retainage from its subcontractors.

The contractor must promptly notify Metro whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Metro.

Signature: Stacey Hammond

Name and Title: Stacey Hammond, Director

Company Name: BT&Co, P.A.

Date: 1/29/20

LOBBYING CERTIFICATION

The undersigned contractor certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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 any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to 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 this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. See 49 CFR 20.100.

(3) The undersigned 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 agreements) 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 this transaction imposed by 31 USC. 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. [Note: Pursuant to 31 USC 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure. See 49 CFR 20.400.]

The undersigned contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 USC 3801, et seq, apply to this certification and disclosure, if any.

Signature:

Stacey Hammond

Name and Title: Stacey Hammond, Director

Company Name: BT&Co, P.A.

Date:

1/29/20

NON-COLLUSION CERTIFICATION

This is my sworn statement to certify that this proposal was not made in the interest of or on behalf of any undisclosed entity. This proposal is not collusive.

This proposer has not been a party to any agreement or collusion in restraint of freedom of competition by agreement to bid a fixed price, to refrain from bidding, or otherwise. This proposer has not, directly or indirectly, by agreement, communication or conference with anyone, attempted to induce action prejudicial to the interest of Topeka Metropolitan Transit Authority, or of any proposer, or anyone else interested in the proposed contract.

Signature: Stacey Hammond

Name and Title: Stacey Hammond, Director

Company Name: BT&Co, P.A.

Date: 1 / 29 / 20

QUALIFICATION CERTIFICATION

The undersigned, being duly authorized to sign and act for the proposer, hereby certifies that all parties involved in the Project as specified in this RFP hold any and all degrees, certifications, and licenses necessary in order to provide goods and/or perform services in the State of Kansas.

Signature: Stacey Hammond

Name and Title: Stacey Hammond, Director

Company Name: BT&Co, P.A.

Date: 1/29/20

SUSPENSION / DEBARMENT CERTIFICATION

In regard to 2 CFR Parts 180 and 1200

In accordance with 2 CFR Parts 180 and 1200, the contractor is required to verify that none of its principals or affiliates:

- 1) is included on the federal government's suspended and debarred list;
- 2) is proposed for debarment, declared ineligible, voluntarily excluded or disqualified;
- 3) within three years preceding this proposal, has been convicted of or had a civil judgment rendered against them for (a) commission of fraud or criminal offense pertaining to performing a public transaction, (b) violation of any federal or state antitrust statute, or (c) embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
- 4) is indicted or charged by a governmental entity for any of the charges in 3) above; and
- 5) has had any public transaction terminated for cause or default within three years preceding this proposal.

The contractor is required to include this requirement in any subcontracts related to this contract.

By signing and submitting its proposal, the proposer certifies that the certification in this clause is a material representation of fact relied upon by Metro. If it is later determined that the proposer knowingly rendered an erroneous certification, in addition to remedies available to Metro, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The proposer agrees to verify that none of its principals or affiliates is included on the federal government's suspended and debarred list at any time throughout the period of this contract. The proposer further agrees to include a provision requiring the same compliance in its subcontracts related to this contract.

Signature:

Stacey Hammond

Name and Title: Stacey Hammond, Director

Company Name: BT&Co, P.A.

Date:

1/29/20