

# MEMORANDUM

To: Finance, Expenditure, and Legal Subcommittee

Subject: RFP for Auditing Services

Date: April 7, 2023

From: Carey Fry, Senior Accountant

The District's Request for Proposals for Professional Auditing Services was advertised in the Omaha World Herald on February 27, 2023 and again on March 6, 2023, following the selection schedule. Under Policy 15.2.B.3 of the Directors' Policy Manual, proposals for auditing services are obtained every five years in accordance with Policy 15.6 (Purchases by Formal Competitive Bidding), which does not require a selection committee.

The District received one bid, as summarized below.

	2023	2024	2025	2026	2027	Total
BerganKDV, LLC	\$53,500	\$57,000	\$60,500	\$64,000	\$67,500	\$302,500

It is recommended that the Subcommittee recommend to the Board that the General Manager be authorized to execute a contract for auditing services with BerganKDV, LLC for FY2023 through FY2027, subject to approval as to form by the District's legal counsel.



## PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT TECHNICAL PROPOSAL AUDIT SERVICE

**bergankdv**

EMPOWERING PEOPLE and CREATING A WOW EXPERIENCE FOR OUR CLIENTS.

BerganKDV  
Contact: Gene Garrelts, CPA  
16924 Frances Street  
Omaha, Nebraska 68130  
[gene.garrelts@bergankdv.com](mailto:gene.garrelts@bergankdv.com)

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## LETTER OF TRANSMITTAL

John Winkler, General Manager  
Papio-Missouri River Natural Resources District  
8901 S. 154th Street  
Omaha, Nebraska 68138

Dear Mr. Winkler,

On behalf of BergankDV, I am pleased to submit this proposal for audit services for the Papio-Missouri River Natural Resources District (NRD). We appreciate the opportunity to bid these services and your consideration of our firm.

The attached proposal addresses the information you requested, including the unique qualifications of BergankDV, the depth and breadth of the services we will provide your Organization our commitment to providing the highest-quality work through a process that is both efficient and effective.

**Our services would include, but not be limited to, the following for years ending June 30, 2023 -2027.**

1. Performing an audit of the NRD in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Federal Single Audit and other federal, state, and local requirements, as applicable.
2. Providing an opinion on the NRD's basic financial statements.
3. Reviewing the Organization's financial statements and related note disclosures, and supplemental schedules.
4. Reviewing, documenting, and providing recommendations on improving the NRD's internal control and financial operations.
5. Providing verbal and written guidance on new and ongoing Governmental Accounting Standards Board (GASB) Statements.
6. Meeting with NRD finance personnel and administration to review the financial statements and a draft of our letter of recommendations for improving the internal control and financial operations of the NRD and the municipal agency.
7. Presenting the financial statements and communications letter to the NRD Board of Directors.
8. Providing bound copies of the report to the NRD and the Nebraska State Auditor, including a searchable pdf of the report, and the communications letter.
9. Being available during the year to provide a wide range of consulting services and answer your questions as they arise.

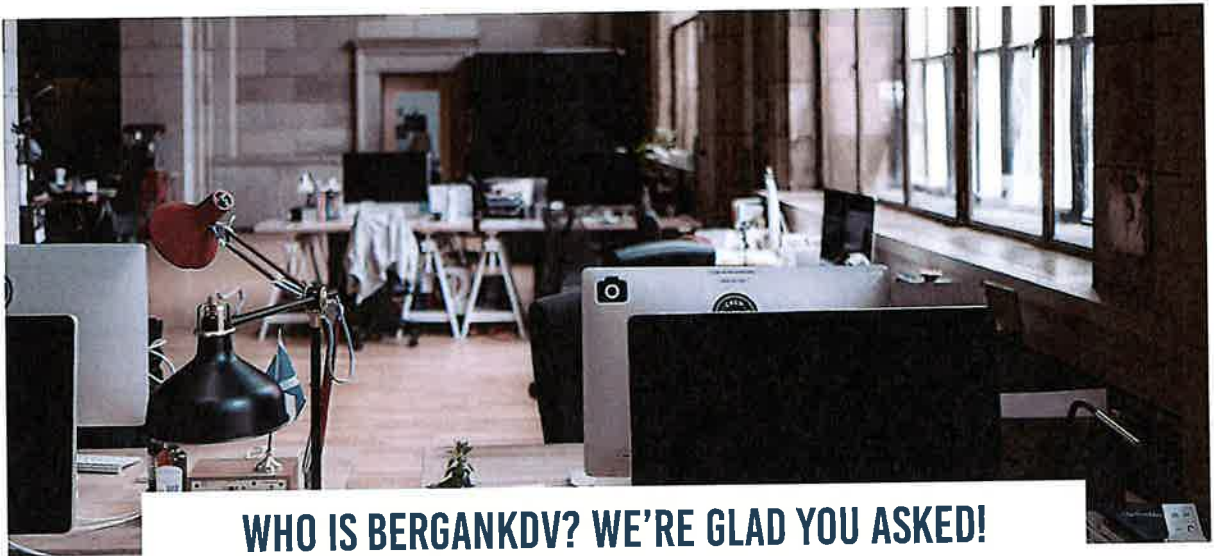
Our Government Market team is located throughout BergankDV offices. These individuals are dedicated to this industry and primarily work on our governmental entity clients. We have outlined your upper management team in the "Qualifications" section. In addition to these individuals, we will utilize senior and associate level individuals from our Omaha, Nebraska office. Our team will be both on-site and remote to perform your audit.

We will work with your representatives to schedule specific fieldwork dates to ensure we are meeting your deadlines. The undersigned is a shareholder and is authorized to make representations for the firm. This proposal is a firm and irrevocable offer for 90 days.

Sincerely,

A handwritten signature in black ink, appearing to read "Gene Garrelts".

Gene Garrelts, CPA, CFP  
Omaha, NE // 402.829.5575 // [gene.garrelts@bergankdv.com](mailto:gene.garrelts@bergankdv.com)



*We have an extensive background in working with clients through a strategic approach in all aspects; we do not just keep pace with the trends; we stay ahead of the curve. We explore new ways to reduce costs and operate more efficiently.*

#### THE BACKSTORY

The history of our firm began in 1945, and since the beginning, BerganKDV has been firmly rooted in community. Today we are a Top 100 Firm, we operate in multiple states in nine different offices, employ over 450 experts, and service clients across the country. As we continue to grow, we acknowledge that we are not in the business to provide one-size-fits-all solutions. Every client is different – from business problems to personal preferences. We invest the time to understand your needs and customize our services and solutions to meet them. Our playbook consists of business advisory, tax, assurance and accounting, workforce management, technology, wealth management and turnaround management services. Sure, we offer a robust and competitive service portfolio and notable processes but what really makes us different? [OUR PEOPLE.....](#)

#### OUR PEOPLE

Relationships are at the core of everything we do, and our products and services are designed to meet the specific needs of our clients. When working with BerganKDV, clients find that we focus on earning their trust by being actively involved and focused on helping them be successful in all they do.

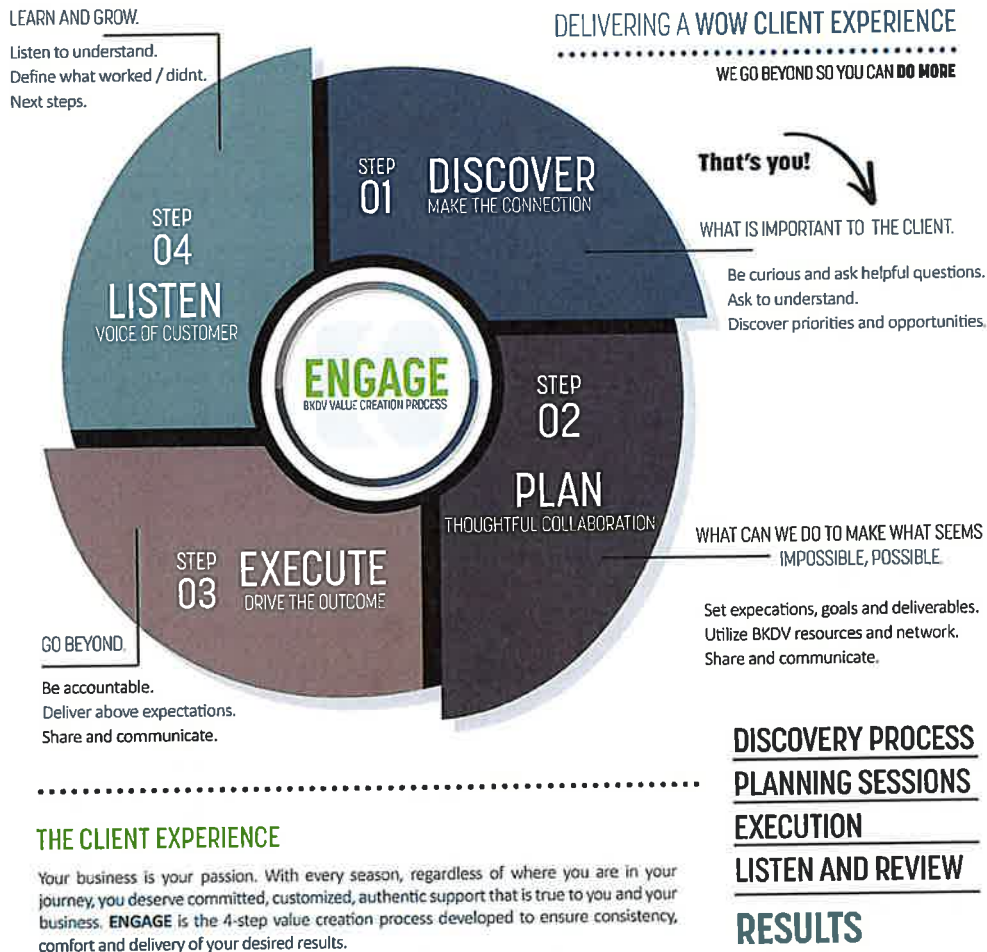
#### PERSONALIZED SERVICE

Our philosophy is to provide timely, quality services that exceed the expectations of our clients. Outstanding client service requires a successful team effort within our firm and with our clients. Providing outstanding service involves enthusiastic, dependable, and knowledgeable personnel who are responsible for knowing, understanding, and caring about our clients. Our firm believes that outstanding service is a continual process that is refined and enhanced with each client contact.



## ENGAGE® | OUR PROVEN VALUE CREATION PROCESS

We have aligned our team around our core values and are driven in our commitment to help clients and team members achieve their potential. We help clients reach their goals by utilizing our value creation process. Results of this process have led to more robust client relationships – deeper trust, enhanced communication, and minimization of time for all. This process is a key component of our strategy in supporting and helping our clients further their organizations.



## OUR BUSINESS LINES

BerganKDV has a strong bench of resources and expertise available based on needs of the client. This ensures the most effective and efficient results are delivered!



### COMMUNITY SUPPORT

At BerganKDV, we believe in giving back. We support the organizations our people and clients are actively involved with. BerganKDV's culture promotes community involvement by providing employees with paid volunteer time off.

### VISION AND VALUES

We are powered by people who do business the Midwest way delivering comprehensive business, financial and technology solutions. Our firm consists of highly talented individuals that put relationships before business deals and clients before profits. Our values drive our decisions.



### OUR FOCUS AND OUR PROMISE

We continue to align BerganKDV team member core values and sense of purpose with our firm core values and mission. We hire towards our core values and manage performance through real time feedback corresponding to our core values. We have found that this work results in more open conversations at BerganKDV which impacts employee engagement and client care.



## VALUE-ADDED SERVICES BEYOND THE AUDIT

Our goal is to be your first call when you experience organizational challenges. We believe this can occur only when a relationship is developed and nurtured through strong communication and a thorough understanding of your mission, programs, and operations. We are unwavering in our commitment to our clients and make it our mission to ask the right questions, listen actively, understand your expectations, and deliver results. You can expect a partnership with professionals who value trust, integrity, and relationships.

### Extensive Governmental Auditing and Consulting Experience

With over **50 years of experience** serving the government community, we have a great appreciation for the unique issues and complexities that you face. We currently work with over 150 governmental entities, including cities, charter schools, school districts, colleges and universities, and other governmental entities, providing a wide array of services including accounting, auditing, and consulting services.

We are dedicated to **keeping informed** of significant developments in the government community and the impact of those developments on our clients. We accomplish this through formal training, including annual seminars, workshops and professional sponsored classes on governmental accounting, auditing, and reporting requirements. We are a member of the Governmental Audit Quality Center of the American Institute of Certified Public Accountants. The Center maintains standards for quality control in governmental audits for CPA firms nationwide.

In addition, many employees of our firm are members and have participated as instructors and speakers at seminars. These presentations have included GASB implementations, auditing standards updates, levy process and related accounting, property taxes and general fund budget, budget issues related to the state budget deficit, accounting and finance policies and procedures and fraud.

### Peer Review

Our firm is a member of the Private Companies Section of the AICPA Division for CPA Firms. This Division was founded in 1977 by the AICPA to promote CPA excellence and to provide a voluntary, objective means of monitoring adherence to professional standards. Each member firm is required to periodically subject its audit and accounting practice to a comprehensive quality review by specially trained outside CPAs. Our last such review was just performed recently, and we received a clean report on our practices and methods. A copy of our last peer review report is included on page 20.

## CERTIFICATIONS AND INDEPENDENCE

We recognize when we audit a governmental entity, we are required to be familiar with certain rules, regulations, and requirements and, as a firm we are required to meet certain requirements. In that regard, we make the following affirmations:

- Our firm meets the independence requirements relating to the NRD defined by auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.
- Our firm and all assigned key professional staff are properly licensed to practice in the State of Nebraska.
- Our firm is a member of the American Institute of Certified Public Accountants and the Nebraska Society of Certified Public Accountants.
- Our firm has never had a report rejected or classified as substandard by any state or federal agency, or by the Government Finance Officers Association.
- Our firm has never had and currently does not have any pending disciplinary actions or investigations for alleged improper, fraudulent, disreputable, or unfair activities against our firm with state regulatory bodies or professional organizations.
- We accept the professional obligation concerning the American Institute of Certified Public Accountants Interpretation 501-3 "Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits."
- Our professional personnel have received adequate continuing education to follow *Government Auditing Standards* and have received adequate continuing professional education over the past two years.
- Our firm is an equal opportunity employer and does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age, or physical handicap, and have an affirmative action plan in place.
- We do not expect any potential audit problems and are not aware of any conflicts of interest about any work performed by the firm for the NRD.
- We acknowledge and have adequate personnel to comply with the audit schedule provided in the request for proposals.

## QUALIFICATIONS

### CLIENT REFERENCES AND EXPERIENCE

A few of our Nebraska governmental clients serviced are listed below and we encourage you to contact them.

Sarpy County, Nebraska  
Bill Conley  
CFO  
402.539.5958

City of La Vista, Nebraska  
Kevin Pokorny  
Director of Administrative Services  
402.331.4343

City of Gretna, Nebraska  
Paula Dennison  
City Administrator  
402.332.3336

Over the past year, BerganKDV has served as independent auditor or consultant for many local governmental entities, some of which are listed below. Audit clients awarded the GFOA Certificate of Excellence in Financial Reporting are identified with an asterisk.

#### School Districts

Bellevue Public Schools, NE  
Douglas County West Public Schools, NE  
Gretna Public Schools, NE  
Lincoln Public Schools, NE  
Millard Public Schools, NE  
Yutan Public Schools, NE  
Bloomington Public Schools, MN  
Minneapolis Public Schools, MN  
Rochester Public Schools, MN  
St. Cloud Area Schools, MN  
Waterloo Community Schools, IA\*

#### Cities and Other Governmental Entities

Ashland, NE  
Bennington, NE  
Grand Island, NE  
Gretna, NE  
La Vista, NE\*  
Sarpy County, NE  
Sarpy County and Cities Wastewater Agency  
Village of Boys Town, NE  
Albert Lea, MN\*  
Brooklyn Park, MN\*  
Coralville, IA  
Cottage Grove, MN\*  
Crystal, MN\*  
Eden Prairie, MN\*  
Faribault, MN\*  
Forest Lake, MN\*  
North Liberty, IA  
Hastings, MN\*  
Maplewood, MN\*  
Minnetonka, MN\*

## DEDICATED SERVICE TEAM

BerganKDV has a personalized team of professionals to meet your unique needs. Your BerganKDV team has extensive experience working with governmental organizations. This translates into a greater ability to understand your unique organization.

## LEADERSHIP AND ADVISORY

First, all governmental clients will interact with a member of the Government Market's leadership team at least annually or at your request. There is no charge to our clients for these meetings. These individuals are instrumental in ensuring that our clients are receiving "WOW" service and having all their needs met.



**GENE G. GARRELTS, CPA, CFP, SHAREHOLDER**

Omaha, Nebraska office

**Role and Experience:** Gene has over thirty-five years of experience in auditing and advisory with both national and local accounting firms. He has been the lead partner on the NRD audit for many years and will serve in a leadership and advisory role to assist the team.

Gene received his bachelor's degree in business administration from Midland University. He is involved with a number of local leadership and

community organizations.

Gene will coordinate and work with our audit team and NRD personnel to ensure you receive the quality and level of service you deserve.

On the next couple of pages, we have included the resume for the Shareholder and Director that would oversee and be responsible for the performance of your audit engagement. In addition to the individual resumes listed, we will utilize additional associates on your audit engagement from our GASB team.

## DEDICATED SERVICE TEAM (CONTINUED)

### ENGAGEMENT TEAM

Below are resumes of the team that will be assigned to your engagement. Your engagement team will consist of an Engagement Partner, an Audit Director, an audit manager and two additional senior/staff auditors. A partner or manager will be involved throughout the engagement to ensure that our staff are provided direction and leadership to serve you well.



**NANCY SCHULZETENBERG, CPA, ENGAGEMENT PARTNER**

**Education:** Bachelor of Science in Accounting from Mankato State University, graduated Summa Cum Laude

**Experience, Professional and Civic Activities:**

- Twenty-five+ years of experience in auditing governmental and nonprofit entities
- Member of the Quality Control Committee for our firm
- Appointed by the Commissioner of Education to serve as a member of the Minnesota Department of Education's Advisory Committee on Financial Management, Accounting and Reporting
- Member of the Special Review Committee of the Government Finance Officers Association whose purpose is to review Comprehensive Annual Financial Reports to determine eligibility for the Certificate of Achievement for Excellence in Financial Reporting
- Presenter at the Minnesota Association of School Business Officials Annual Conference, the Central Minnesota Educational Research & Development Council's Annual Conference, the MN Government Finance Officer's Association's Annual Conference, and BergankDV sponsored seminars
- Instructor at the Minnesota Association of School Business Officials Institute and the Minnesota Association of School Business Officials Certification Program
- Member of Minnesota Society of Certified Public Accountants, American Institute of Certified Public Accountants, Minnesota Association of School Business Officials, and Government Finance Officers Association
- Member of the Finance Committee at Holy Family School, Albany and Seven Dolors Church, Albany
- Treasurer of the Albany Dance Team Booster Club



## DEDICATED SERVICE TEAM (CONTINUED)



**TIM LENS, CPA, DIRECTOR**

**Education:** Bachelor of Science in Business Administration from Midland University

### Experience, Professional and Civic Activities:

- 15+ years of experience auditing governmental and nonprofit entities
- Omaha audit geography lead
- Member of American Institute of Certified Public Accountants
- Member of Nebraska Society of Certified Public Accountants
- Vice Chair of the Nebraska Society's State & Local Governmental Accounting & Auditing Committee
- Member of Association of Government Accountants (AGA)
- Treasurer and board member of Omaha Running Club



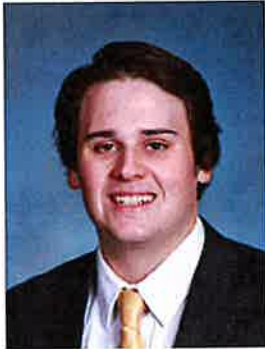
**DUSTIN OPATZ, CPA, AUDIT MANAGER**

**Education:** Bachelor of Science in Accounting from St. Cloud State University

### Experience, Professional and Civic Activities:

- Six years of experience with financial reporting in accordance with GAAP, ACFR requirements, analysis of internal control, performing audits of financial statements and single audits in accordance with OMB Circulars and Uniform Guidance
- Extensive use of computer and software applications to assist in the preparation and performance of the audit process
- Certified Public Accountant, licensed to practice in the State of Iowa
- Presenter at the Government Finance Officers Association Annual ACFR Review, and BerganKDV sponsored seminars.
- Iowa Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- Minnesota Government Finance Officers Association
- Minnesota Association of School Business Officials
- Iowa Association of School Business Officials
- Iowa League of Cities

## DEDICATED SERVICE TEAM (CONTINUED)



### **AUSTEN THIELEN, CPA, AUDIT SENIOR**

**Education:** Bachelor of Science in Business Administration-Accounting from the University of Nebraska-Lincoln

#### **Experience, Professional and Civic Activities:**

- Responsible for planning, fieldwork, and reports for numerous audits of cities, school districts, and other governmental entities.
- Attends continuing education, workshops, and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as “yellow book” continuing professional education.
- Extensive use of computer and software applications to assist in preparation and performance of the audit process.

#### **Office Performing Audit**

Our Government Market team is located throughout BerganKDV offices. These individuals work only on our governmental entity clients. We have outlined your upper management team in the "Qualifications" section. Our team consists of 3 shareholders, 4 audit directors/managers, 1 director of consulting, 4 senior/supervisor and 8 associate level members, all that focus on governmental entities. In addition, we have another shareholder, 2 directors, 2 seniors and 5 associate level members that all have experience working on governmental audits. In addition to individual resumes listed on pages 10-13, we will utilize 1 senior and 1-2 associate level members on your audit engagement from our Omaha, Nebraska office.

#### **Commitment to Staff Continuity and Training**

To keep continuity and efficiencies high, we believe that consistent team members are advantageous for both our firm and your organization. We pride ourselves on maintaining the right balance of continuity on each of our engagements to ensure a “fresh” look at the annual audit process. Rotation of senior level staff only occurs after the merits of such rotation have been discussed and approved by your organization.

#### **Independence**

Our firm has no conflict of interest regarding any other work performed by our firm for your organization. Our firm meets the independence requirements relating to your organization as defined by auditing standards generally accepted in the United States of America. We annually review independence related to all our client relationships as part of our internal control compliance process.

## AUDIT APPROACH AND TIMELINE

**OUR GOAL FOR YOU IS TO CREATE VALUE AND TO MINIMIZE SURPRISES.** We do this through a specific, well-planned audit. What makes BerganKDV unique from other firms is that we continually improve our audit process beyond what is expected by our profession. A few of the BerganKDV advantages:

- **Collaborative Audit Process.** We see the audit process as a joint effort with you and BerganKDV. We want to work together to make it as painless as possible.
- **A comprehensive view of the NRD's financial health.** Through our extensive government experiences, we understand a Organization's health is not only about the finances. The vision, mission and programming provide the blueprint for the Organization's direction. We review this information in relation to the financial statements and provide our observations based on a comprehensive view of the Organization's health.
- **Technology resource on internal controls.** Technology experts from the BerganKDV Technology Group can assist in evaluating your technology controls. Their expert advice has proven to be a valuable resource as they answer technical questions and offer specific recommendations.
- **Review of the work papers during fieldwork.** We complete most of our work in the field and provide a comprehensive exit conference. The exit conference includes a review of the draft financial statement numbers, any internal control, compliance, and state statute findings.
- **Supervisors, managers and partners on-site.** The involvement of our supervisors, managers and partners in the field is essential to being a trusted partner and delivering an exceptional client experience. We believe it is important to be on-site and available to answer questions. This also allows our managers and partners to review documentation throughout the process.
- **Meeting communications.** Our presentations are designed to capture information that is useful and meaningful. Our presentations are focused on audit results, trends, and other information relevant to your organization and related entities, not details of the financial statement amounts.

### Beyond Expectations

BerganKDV takes a four-phased audit approach that gets results by:

- Leveraging what is working well.
- Focusing on pre audit planning, collaboration, and communication.
- Staying accountable to a schedule.
- Meeting with you and your team to ensure every detail has been finalized and the audit is complete.
- Exchanging information regarding our performance, opportunities to enhance experiences and future strategic opportunities.

## AUDIT APPROACH AND TIMELINE (CONTINUED)

Our audits are designed to focus our energy and our audit tests on the areas of your operations that contain the most risk. This equates to a better product for the NRD.

### PHASE ONE – INITIAL PLANNING AND PROGRAM DEVELOPMENT (AUGUST)

Our main objective is to get to know the NRD as a resident or employee would. We want to understand not only your finances, but also your operational goals and objectives. What makes your organization unique? How can that knowledge help us perform the best audit possible? When those questions are answered, we know we achieved our goal for Phase One.

During this phase, we gather the information we need to create an effective audit program and make preliminary judgments of materiality. Highlights include:

- Reviewing your internal control documents and interviewing your key employees and representatives to gain operational information.
- Discussing your goals, objectives, and the current challenges facing your operations; those are then shared across your BergankDV team and incorporated into our audit plan.
- Obtaining population sizes ranging from 25-60 for certain transactions-based finance systems and selecting which transactions we will test for internal control and compliance testing. Selections will be based on our data analysis results, analyzing transactions on a risk-based level.
- Obtaining your current financial reports and budgets and perform overall analytical review procedures.
- Obtaining applicable NRD organizational charts, policies, bond documents, leases, and other legal contracts.
- Reviewing with your staff our audit documentation requests. **We audit and request information that is used internally by your staff to manage operations, we do not require specific templates to be used.**

We will work with the management team to determine the preferred means of communication, whether phone or email. In addition, we utilize Suralink, a workflow management software that improves efficiency by streamlining our audit request process. The simple interface includes team assignments and deadlines, so there are no misunderstandings on expectations.

Our audit process incorporates automated audit tools (Knowledge Coach) and work papers to provide our clients with timely information and effective and efficient audits. In addition, we use CCH's TeamMate Analytics, an Excel add-on used to extract and analyze data quickly and efficiently. We also subscribe to various benchmarking and data analysis providers.

***Your Expected Role:** Provide BergankDV with policies, internal control documents and a preliminary trial balance; provide contact information for all board members and staff so we may set up appointments/interviews with selected representatives; begin to gather documentation for fieldwork.*

## AUDIT APPROACH AND TIMELINE (CONTINUED)

### PHASE TWO – AUDIT PROGRAM EXECUTION - FIELDWORK (SEPTEMBER/OCTOBER)

Project execution is performing the procedures outlined in your audit plan as developed in Phase One. Our audit procedures will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. We will discuss potential ideas and best practices with your personnel relating to our recommendations for improving internal control, procedures and compliance with laws and regulations. Any issues identified, proposed audit adjustments, or other recommendations will be discussed with management throughout the execution of our audit procedures. We perform test work with as little disruption as possible to NRD staff's regular duties.

Highlights of this phase include:

- Auditing year-end account balances, testing internal control, assessing compliance to determine if your systems and controls are functioning as designed.
- Using sampling techniques to test areas including transactions, internal controls and legal compliance using the scope mandated by the Office of the State Auditor. Sample sizes range from 25-60 based on our risk assessment.
- Using IDEA's data mining software, we look for trends and anomalies in your payroll, vendor payment, and cash receipts process.

*Your Expected Role:* Be available to answer questions during scheduled audit fieldwork, provide audit workpapers or reconciliations with documentation that is reasonable and reviewed during Phase One.

### PHASE THREE – POST-AUDIT CRITIQUE AND EXIT CONFERENCE (OCTOBER/NOVEMBER)

This phase of the audit includes reviewing all the components of the financial statements and prepare the communications letter and relevant financial trend data for the Board presentation. Finally, opinions on the financial statements, Government Auditing Standards and Single Audit, if required, will be prepared.

We will then present this information to management allowing you time to review the financial statement reporting package including the draft financial statements and any internal control findings or recommendations that arise during the audit. This phase allows you time to assess, discuss and develop a corrective action plan, if needed.

*Your Expected Role:* Review preliminary financial statements and reports to provide BergankDV with input and feedback.



## AUDIT APPROACH AND TIMELINE (CONTINUED)

### PHASE FOUR – PRESENTATION OF AUDIT REPORT (NOVEMBER BOARD MEETING)

The final phase of the process is the presentation of the reports to the NRD Board of Directors. The presentation provides the governing body with information about the year's financial activity compared to past trends and expected results. We also provide other relevant and interesting observations relating to your financial statistics that will help provide the governing board with a deeper understanding of your operations. We understand all organizations have individual needs and we look forward to getting your feedback on graphs and statistics.

Professional standards require that we provide you with information regarding the auditor's responsibility under generally accepted auditing standards, significant accounting policies, accounting estimates and management judgments, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, consultation with other auditors, major issues discussed with management prior to retention as auditors and difficulties encountered in performing the audit. We will provide this information in written form via the communications letter and will discuss with administration during the review of the preliminary audit report.

*Your Expected Role: Provide BerganKDV with information and feedback for presentation preferences.*

## FEES

Our fees for the Technical Proposal are based on the amount of time and the level of experience of the individuals who perform the services. In addition, we assume that the NRD's accounting personnel will provide the appropriate workpapers, documents, schedules, and clerical assistance, we will not encounter any significant or unusual circumstances which will affect the scope of our engagement, and no significant changes to the Organization's operations will occur. However, if situations arise which affect the scope of the engagement or we are required to make audit adjusting entries or information is not provided within on agreed upon schedule, we will discuss them with you prior to incurring the additional cost. **At no time will we bill the NRD for extra time or charges unless we have verbal communication regarding the issues, your options and an agreement for additional fees.**

Following is a description of the services we will provide under this agreement for the year ended June 30, 2023 through 2027:

- Performing an audit of the NRD, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*; and Uniform Guidance, when applicable;
- Providing an opinion on the basic financial statements
- Providing separate reports required under *Government Auditing Standards*, Federal Awards as required under Uniform Guidance, as applicable
- Drafting the financial statements
- Presenting the financial statements and communication letter to the NRD Board of Directors

The fee for the mentioned services will be:

June 30, 2023	\$ 53,500
June 30, 2024	\$ 57,000
June 30, 2025	\$ 60,500
June 30, 2026	\$ 64,000
June 30, 2027	\$ 67,500

### Billing and Collection Expectations

Our fees are due as services progress and are generally billed throughout each phase of the audit. These invoices are payable on presentation. Invoices are due on presentation and are delinquent if not paid within 30 days.

### Off-season Communication

We encourage questions throughout the year and ask our clients to submit to us their monthly financial statements and board of director minutes, so we can stay abreast of their operations, and identify/resolve any issues prior to year-end. We will not invoice additional amounts unless substantial research or work is required, in which case, we will discuss the scope of any additional work and proceed only after we have reached a mutually agreeable fee arrangement.

### Out of Scope Professional Services

We do not surprise bill. If during our engagement you request additional services which require more than a minimum amount of time, we will provide an engagement letter with the fees and services specified, only after we have verbal communication and agreement. Additional special projects and consulting requested during the year will be billed at an hourly rate commensurate with the level of experience required.

## PEER REVIEW



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

March 12, 2021

To the Partners of BerganKDV, LLC  
and the Peer Review Committee of the Minnesota Society of CPAs.

We have reviewed the system of quality control for the accounting and auditing practice of BerganKDV, LLC (the firm) in effect for the year ended March 31, 2020. 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, limitation of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported 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 under the Single Audit Act, and audits of employee benefit plans.

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

Fort Smith | Little Rock | Rogers | Russellville | LandmarkCPAs.com  
Accounting. Consulting. Insights.

## PEER REVIEW (CONTINUED)

The Partners of BergankDV, LLC  
and the Peer Review Committee of the Minnesota Society of CPAs  
Page Two

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BergankDV, LLC in effect for the year ended March 31, 2020, 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. BergankDV, LLC has received a peer review rating of pass.

  
Certified Public Accountants

Little Rock, Arkansas

# THANK YOU.

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