



**BOTANICAL SOCIETY OF
AMERICA**

AUDIT PROPOSAL

**Daniel Jones
& Associates**
CERTIFIED PUBLIC ACCOUNTANTS

Letter of Transmittal

Daniel Jones & Associates shall conduct an audit of the Organization's financial statements in accordance with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants, standards applicable to financial audits contained in FASB, and the Uniform Guidance Requirements. The audit will include the Organization's financial statements.

The objective of our audit will be to express an opinion on the Organization's financial statements. Our examination, made in accordance with the standards mentioned above, would not necessarily disclose errors and irregularities that might exist. If during our examination it comes to our attention that conditions do exist which lead to the belief that material errors, defalcations or other irregularities may exist, or if any other circumstances are encountered that require extended services we will promptly advise the Administrator and /or Board of Trustees. We will not begin or perform any extended services until the Organization has approved it, in writing.

The financial statements will be prepared in conformance with FASB on the basis of accounting specified by the client.

The Statement on Auditing Standards No. 122-123 supersedes the Statement on Auditing Standards No. 112 & 115 and establishes standards and provides guidance on communicating matters related to an entity's internal control over financial reporting identified in an audit of financial statements. The CFO is encouraged to prepare the financial statements for the Organization. Guidance will be provided, at no extra cost, to the Organization's CFO in preparation of the financial statements. Daniel Jones & Associates feels that there is not a conflict of interest in guiding the CFO in preparing the financial statements. If the CFO is unable to prepare the financial statements due to lack of knowledge we will note that in our management letter as outlined under SAS 122-123.

Daniel Jones & Associates will present the annual audit to the Board of Directors and shall provide 15 bound copies and one PDF version of the completed audit report.

Executive Summary

Daniel Jones & Associates will meet all the requirements outlined in the request for proposal. Our audit approach consists of providing the Organization in advance a comprehensive list of items we will need to conduct the audit. If acceptable by the Organization, we will perform certain audit procedures prior to year end so we can expedite the audit process.

The Organization is assigned an audit manager with several years of audit experience, ensuring that your Organization's audit is done in a complete and timely manner. In addition to our highly qualified audit managers, our associates have several years of auditing and accounting experience. **This ensures that you are not training new staff**, but have an experienced audit team.

At Daniel Jones & Associates our audit professionals have extensive training and experience with auditing tax-exempt entities and, more importantly, with the structure and unique operations of 501(c)(3) entities. Daniel Jones & Associates provides assistance in the unique preparation, auditing, accounting and reporting of financial statements for not-for-profit entities.

Daniel Jones & Associates has experience in reporting donated services between affiliated NFPs, split-interest agreements, contributions and grants, functional expenses and joint costs, and much more.

Not-For-Profit Experience:

- Properly report complex revenue and expense transactions that have a material effect on financial reporting.
- An in-depth understanding of the accounting issues that is unique to nonprofits, such as donor restrictions on contributions.
- An in-depth understanding of the unique audit areas in NFPs and how to address the risk of material misstatement.
- How to properly account for the relationships between NFPs and other entities.
- The understanding of the disclosure requirements related to reporting transactions that are common to NFPs.

Our firm's quality control policies and procedures consist of checklists and reviewed by person or persons other than those performing the audit. We subscribe to various publications and attend related continuing educational seminars in an attempt to stay abreast of the changes in both reporting form and content specifically related to governmental entities and non-profit organizations. Our firm has successfully completed our quality control peer review, which is required by Government Auditing Standards (Yellow Book) Section 3.33

Qualification of the Firm

Firm Size

Daniel Jones & Associates is a local firm located in Arnold, Missouri with 13 professional staff.

FASB

Daniel Jones & Associates has performed non-profit audits in Missouri since 1976. Daniel Jones & Associates currently audits fifteen (15) non-profit in the state of Missouri and performs over 50 governmental audits each year. Daniel Jones & Associates has extensive experience in performing and preparing financial statements in conformity with FASB non-profit requirements.

Single Audit Act

Daniel Jones & Associates has extensive experience in performing single audits under the Uniform Guidance. All partners and managers attend various CPE classes on the audit of federal grants in addition to other governmental CPE.

Experience

Daniel Jones & Associates has extensive experience auditing Missouri nonprofit organizations and post-secondary education providers. Daniel Jones & Associates currently audits over 15 nonprofit organizations and three post-secondary institutions. The firm has been auditing Missouri entities since 1976.

Timelines

Daniel Jones & Associates proposed audit fee is fixed. We have the staff and the experiences to complete the Organization's audit in the time frame outlined in the request for proposal provided that the financial information request in advance is in auditable condition during our schedule field visit.

Continuing Professional Education

Daniel Jones & Associates understands the importance of training and professional education. All professionals in the firm receive over 40 hours of auditing continuing education each year.

References & Experience

Texas County Technical Institute

Charlotte Gray, President

417-777-5062

Financial & Single Audit

Ladue School District

Barb Myers, Director of Accounting

314-994-7080

Financial & Single Audit

Missouri Rural Water Association

Crystal Cooper, Office Manager

573-657-5533

Financial & Single Audit

*- is this
a membership
association?*

Independence School District and Foundation

Molly Johnson

816-521-5300 ext. 10045

Financial & Single Audit

Jefferson County

Kristi Apprill, Auditor

(636) 797-5458

Financial & Single Audit

St. Charles School District

Diane Club, Director of Accounting

636-443-4000

Financial & Single Audit

Technical Approach

Daniel Jones & Associates is committed to having the necessary resources to perform governmental audits. Daniel Jones & Associates uses the following audit programs and resources when conducting a government audit.

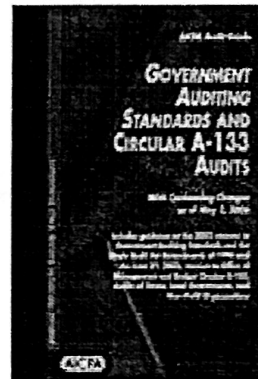
AICPA GOVERNMENTAL AUDIT QUALITY CENTER

Daniel Jones & Associates is dedicated to governmental auditing. We are members of the Governmental Audit Quality Center.



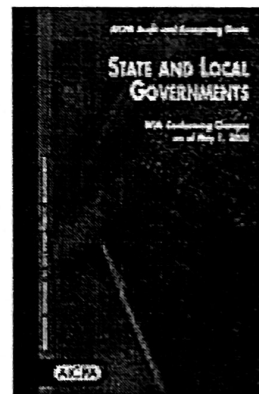
AICPA AUDIT GUIDE FOR GOVERNMENTAL AUDITING STANDARDS AND UNIFORM GUIDANCE AUDITS

This guide is updated every May. The guide reflects all relevant new auditing standards and other guidance that has been issued over the past year. Moreover, key clarifications have been added to the guide to address practice issues that have arisen recently. Entities that are subject to Yellow Book requirements or Uniform Guidance requirements will find this guide essential to understanding and implementing the revisions to government auditing standards and Uniform Guidance.



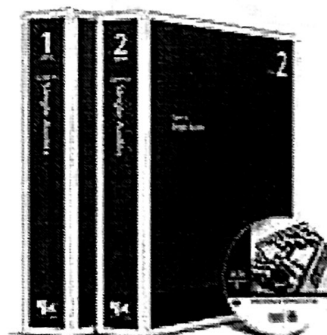
AICPA AUDIT GUIDE STATE AND LOCAL GOVERNMENTS

This guide is updated every May. The guide is designed to provide guidance to auditors who are new to state and local governmental accounting and auditing as well as to auditors experienced in state and local governmental accounting and auditing. The *State and Local Governments Guide* is designed as a tool for auditors of governments of all sizes.



PPC'S GUIDE TO SINGLE AUDITS

This guide provides resources for all the rules, regulations, and guidelines for single audits of both governmental and non-profit.



Technical Approach (Continued)

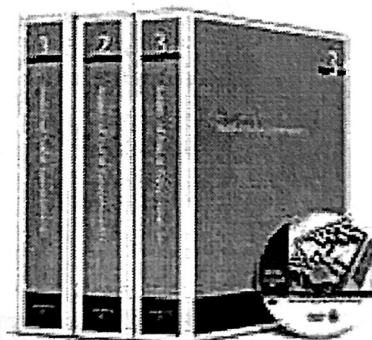
GASB

The GASB's Governmental Accounting Research System (GARS) provides efficient and effective access to all the necessary accounting literature. Using advanced search and retrieval software from FAST Search and Transfer, FAST Folio® 4.4, GARS™ is on CD-ROM. GARS has been proven to provide a significant reduction in research time and is used by accounting firms of all sizes, by government offices, and by academic institutions. GARS is updated twice a year.



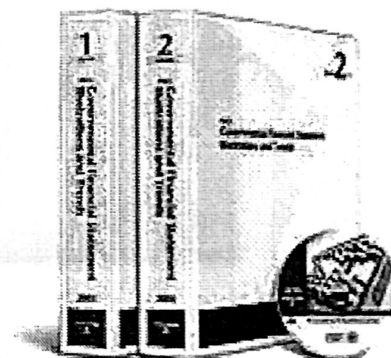
PPC'S GUIDE TO AUDITS OF LOCAL GOVERNMENTS

The firm uses this PPC audit guide for audit programs and checklists. These programs and checklists are updated each year ensuring our audit complies with yellow book and Uniform Guidance standards.



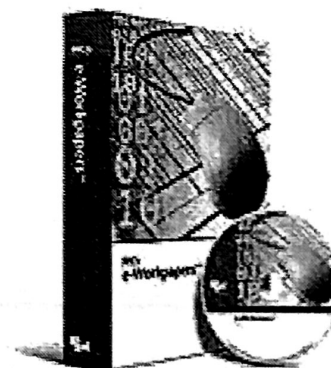
PPC'S GOVERNMENTAL FINANCIAL STATEMENTS ILLUSTRATIONS AND TRENDS

This PPC guide provides over 700 pages of GASB's No. 34 financial statements.



PPC'S E-WORKPAPERS FOR LOCAL GOVERNMENT AUDITS

The firm uses PPC e-workpapers to create a more comprehensive and quality audit.



Technical Approach (Concluded)

Single Audit Compliance Program Creator

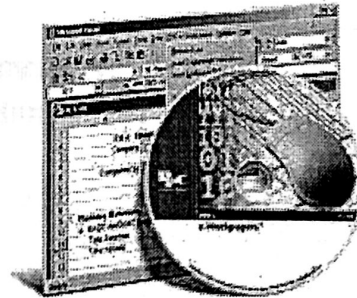
This program provides the audit programs for all federal funds. Programs are created on line to ensure that they are the most current requirements by OMB.



Single Audit Compliance Program Creator

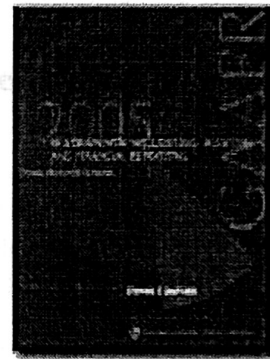
PPC'S DISCLOSURE CHECKLIST

This resource has the most complete list of GAAP and GASB disclosure requirements.



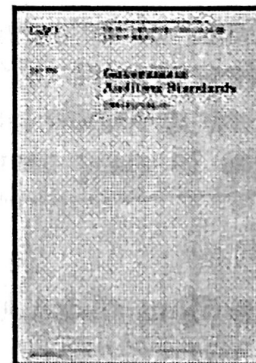
GFOA - GAAFR (BLUE BOOK)

Ever since its first appearance in the mid 1930's, the Government Finance Officers Association's (GFOA) "Blue Book," Governmental Accounting, Auditing, and Financial Reporting (GAAFR), has held an unrivaled position as the premier source of practical guidance on all aspects of accounting, auditing, and financial reporting for state and local governments. This latest edition marks the eighth GAAFR in a series extending nearly 70 years.



GAS - YELLOW BOOK

All auditors have extensive training in the Yellow Book. Based on the book, "yellow book" is published by the Comptroller General of the United States and includes government auditing standards. CPA firms are required to follow in audits of government organizations, programs, activities, and functions.



Audit Team Résumés

RÉSUMÉS

ALOIS (AL) KIRCHHOFER, JR., (PARTNER) CERTIFIED PUBLIC ACCOUNTANT

Prior to joining Daniel Jones & Associates in 2002, Al Kirchhofer, Jr. was employed for eight years as Business Manager for the Ladue and Hancock School Districts. Prior to working in school finance, Al spent five years in public accounting, auditing school districts with Schowalter & Jabouri & BKD, LLP.

Experience Consultant to Missouri Department of Elementary and Secondary Education– Special Education
All tax preparation
Governmental including school districts
Manufacturing
Professional Services
Retail
Computer Consulting
Tax Planning and Preparation
Not-for-Profit

Education B.S.B.A. Accounting & Management – University of Missouri

MARK JANIESCH (MANAGER)

Mark Janiesch is a Manager who provides tax and auditing services while specializing in financial statement preparation and auditing. Mark has served as controller for local businesses while giving suggestions to make the business more organized and profitable. Prior to working at DJA, Mark served as an intern at Swink, Fiehler & Company in Sunset Hills and worked in the accounting department of Anheuser-Busch Employees Credit Union. Mark has eighteen years of experience in auditing and accounting.

Experience Governmental entities, fire and school districts, not-for-profit organizations
Health department, water and sewer districts
Study and evaluation of internal control systems
Internal Revenue Service audit, filings & collection procedures
Single Audits (UNIFORM GUIDANCE)
Construction, manufacturing, retail business

Education Bachelor of Accounting – Missouri Baptist College, St. Louis, MO

Audit Team Résumés (Concluded)

RÉSUMÉS

JACOB MYERS, CERTIFIED PUBLIC ACCOUNTANT (SENIOR ASSOCIATE)

Jacob is a senior associate providing auditing and accounting services to individuals, closely held businesses, non-profit organizations, governmental organizations, and health care organizations. Jacob has eight years of auditing experience performing governmental and non-profit audits.

Experience Governmental Audits
Not-for-Profit Audits
Single Audits
Study and evaluation of internal control systems

Education B.S.B.A. Accounting - Southwest Missouri State University

CATHY KENNY (ASSOCIATE)

Cathy is an associate with Daniel Jones & Associates. Cathy has a Bachelor of Science in Accountancy from the University of Missouri – St. Louis. Cathy has five years of governmental auditing and accounting experience.

Experience Governmental entities, fire and school districts, not-for-profit organizations
Health department, water and sewer districts
Study and evaluation of internal control systems
Single Audits (OMB 133)

Education B.S.B.A. Accounting & Management – University of Missouri

Proposed Time and Price

Part A – Proposed Time and Price – FY 2017

A total all-inclusive maximum price for the 2017 audit engagement is outlined below. The total all-inclusive price bid is to contain direct and indirect costs, including all out of pocket expenses. The schedule of professional fees and expenses that support the all-inclusive maximum price must be completed.

FY2017 Proposed Worker Hours

	Worker Hours	x	Rate Per Hour	=	Total
a. Partner/Owner	32		\$150.00		\$4,800.00
b. Manager	16		\$130.00		\$2,080.00
c. Senior Associate	30		\$ 90.00		\$2,700.00
d. Associate	24		\$ 80.00		\$1,920.00
e. Assistant			N/A		N/A
Total	102				\$11,500.00

30
24

54

- is this enough?

B: Proposed Price for Engagement

Audit Personnel	\$11,500.00
Travel	-0-
Typing, Clerical and Reproduction	-0-
Other (Discount)	(\$1,500.00)
Total	<u>\$10,000.00</u>

Final Report

PROPOSED DATES FOR ENGAGEMENT

- A. Conduct Entrance Conference January 2019
- B. Commence Interim Audit Work January 2019
- C. Complete Interim Audit Work February 2019
- D. Commence Final Audit Work February 2019
- E. Complete Final Audit Work February 2019
- F. Review Draft of Audit Report with Director March 2019
- G. Conduct Exit Conference March 2019
- H. Submit Final Report to Board of Trustees April 2019



*Nothing wrong
never talked
to us*

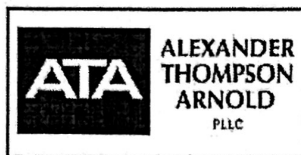
Alexander Thompson and PLLC

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Firm Peer Review

Members of:

American Institute of Certified Public Accountants
AICPA Center for Public Company Audit Firms
AICPA Governmental Audit Quality Center
AICPA Employee Benefit Plan Audit Quality Center
Tennessee Society of Certified Public Accountants
Kentucky Society of Certified Public Accountants



Certified Public Accountants
Offices in Tennessee & Kentucky

185 North Church Ave.
Dyersburg, TN 38240

Phone 731.285.7900
Fax 731.285.6221
www.atacpa.net

System Review Report

To the Owners of Daniel Jones & Associates, CPA's, P.C.
and the National Peer Review Committee of the American Institute of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Daniel Jones & Associates, CPA's, P.C. (the firm) in effect for the year ended January 31, 2016. Our peer review was conducted in accordance with the *Standards of Performing and Reporting on Peer Reviews* established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. 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. 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. The nature, objectives, scope, limitations of, and the procedures performed in a System review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Daniel Jones & Associates, CPA's, P.C. in effect for the year ended January 31, 2016, 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*. Daniel Jones & Associates, CPA's, P.C. has received a peer review rating of *pass*.

Alexander Thompson Arnold PLLC

Dyersburg, Tennessee
July 11, 2016