89 NORTH CALDWELL STREET • BREVARD, NC 28712

MEMBER - AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER - NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

March 20, 2023

Gabi Juba
Chief Finance Officer
Transylvania County Board
of Education
Morris Education Center
225 Rosenwald Lane
Brevard, NC 28712

Dear Ms. Juba:

We are pleased to submit our proposal to continue to serve as independent auditors for the Transylvania County Board of Education. For more than fifty years Carland & Andersen, Inc. has been honored to serve the auditing, accounting, tax, and financial planning needs of local school boards, governmental entities, not-for-profit organizations, foundations, businesses, and individuals. As one of the oldest accounting firms in the area, we are proud to provide exceptional professional skill combined with unsurpassed service for a reasonable price.

Even though the firm has grown over the years, we have never lost our local identity and cherish the strong relationships with our clients that are the foundation of our practice.

The enclosed proposal highlights our qualifications to serve the Transylvania County Board of Education, our extensive governmental and nonprofit auditing experience, and our ability to serve the needs of your organization. We are grateful for the opportunity to present this proposal. Please do not hesitate to contact us with questions.

Yours truly,

Terry B. Andersen, CPA

A Proposal to Provide Professional Audit Services to

Transylvania County Board of Education Brevard, North Carolina



Provided By:



89 North Caldwell Street • Brevard, NC 28712

March 20, 2023

Professional Fees and Engagement Terms

Carland and & Andersen, Inc. CPA's is pleased to provide the Transylvania County Board of Education with this proposal for audit services. Our proposal is provided by Terry Andersen, Certified Public Accountant and partner with the firm of Carland & Andersen. He is an authorized representative of the firm and is empowered to present this proposal and sign any contracts that may be awarded to the firm of Carland & Andersen, Inc. by the Transylvania County Board of Education.

Controlling Costs

We recognize the importance of controlling costs in any well-managed organization, and we work creatively with our clients to provide top quality service at fees that are equitable to both parties. Partner-led planning and partner involvement throughout characterize our audits. This ensures that our most seasoned people will make the right decisions before carrying out any work, and that our less experienced personnel will make the best use of their time. The overall sophistication and efficiency of our audit approach, as applied by experienced and top-flight professionals, results in maximum value from the audit. Included on the audit team for the Transylvania County Board of Education are several certified public accountants, including two that have served as either a school board finance officer or as an assistant and interim school board finance officer.

We began our audit relationship in 2007 and have not increased our fees since the 2008 audit year. This emphasizes our positive relationship with the Board and Board staff and our commitment to provide maximum value to you.

Professional Fees

The fees listed in this section are our normal and customary professional fees based on the scope of services you require and on the amount of time required at various levels of responsibility. These are fixed fee estimates. Other costs, including travel, supplies, materials, and other out of pocket expenses, are considered to be nominal and are included in the cost proposal.

These cost estimates are fixed fees and will not exceed the proposed amounts unless unusual circumstances are encountered in which case we would discuss any change with management prior to engaging in any additional work.

Governmental Audit Experience

We are pleased to provide the Transylvania County Board of Education with a list of similar engagements to showcase the depth of experience and the high level of commitment Carland & Andersen has with a wide variety of governmental entities:

Henderson County Board of Public Education

 Annual financial and compliance audit, as well as management advisory and consulting services from 1978 to 2000, and 2002-present. This work includes the Henderson County Board of Education (1975-1993), City of Hendersonville Board of Education (1993), and the Henderson County Board of Public Education (1994-2000) and (2002-present).

Town of Rosman

 Annual financial and compliance audit and management advisory services from 1994 to present.

Town of Columbus

Annual financial audit beginning in July 2012 to the present.

City of Brevard Alcoholic Beverage Control Board

Annual financial audit and consulting services from 2012 to present.

City of Hendersonville Board of Alcoholic Control

Annual financial audit and consulting services from 1972 to present.

Town of Laurel Park Board of Alcoholic Control

- Annual financial audit and consulting services from 2004 to present.
- Prior governmental clients also include the Jackson County Board of Education, the Madison County Board of Education, Transylvania County, and the City of Hendersonville

Additional Services Provided to Governmental Clients

Henderson County Board of Public Education

- Assistance with accounting procedures and other finance-related issues during a period when the Henderson County Board of Education was being served by an Interim Superintendent and Interim Business Manager.
- Assistance with requests to the Board of County Commissioners for transfers between Local Current Expense Fund and Capital Outlay Fund. Consulting services related to budgetary reports provided to the County Commissioners.
- Detailed audits of several individual schools, Parent-Teacher Organizations (PTO's) and other auxiliary organizations where fraud was suspected.
- Agreed upon procedures to establish the amount of loss from misappropriated funds. Engagement began in November 2002 and was completed in February 2003. Following this, Carland & Andersen was again engaged for the annual audit.
- Assisted in the conversion to, and compliance with GASB 34 reporting requirements beginning with the June 30, 2003 fiscal year.

Transylvania County

- Assistance in review of and improvement of internal controls in tax collectors office, including resolving problems with daily deposit procedures related to large taxpayers.
- Provided additional auditing services related to establishing improved computer software applications for property tax collections and integration with the financial accounting functions.
- Assisted in the conversion to and compliance with GASB 34 reporting requirements beginning with the June 30, 2003 fiscal year.
- Assistance in planning for implementation of GASB 43 and 45 related to other post-employment benefits.

Town of Rosman

- Detection of fraud by former Town Finance Officer and assistance with plan of action in 1996.
- Assisted in the conversion to and compliance with GASB 34 reporting requirements beginning with the June 30, 2004 fiscal year.

City of Hendersonville

- Assistance on an annual basis with appropriate accounting procedures for unusual transactions involving grants, internal service fund and budgeting.
- Assisted in locating a new finance officer.
- o Assisted in selection of a new City-wide computer system.
- Performed detailed audits of Police Department internal funds and Recreation Department funds.
- Assisted in the conversion to, and compliance with GASB 34 reporting requirements beginning with the June 30, 2003 fiscal year.

Additional Information

We want to be Transylvania County Board of Education's choice to perform their annual audit. Our professional experience serving school boards, governmental entities, municipalities, counties, and non-profit organizations in Western North Carolina is unsurpassed. As one of the oldest certified public accounting firms in the area, we are connected and committed to Transylvania County and Western North Carolina. Therefore, we do not want fees to become a barrier to our appointment. Once you are assured that we are the firm best suited to meet your needs, we invite a frank discussion of our fee arrangement.

COST ESTIMATE TRANSYLVANIA COUNTY SCHOOL SYSTEM THREE YEAR PROPOSAL				
	FY 2023	FY 2024	FY 2025	Total
Base Charge - Financial Audit	\$26,000	\$26,000	\$26,000	\$78,000

Note:

This is the same fee we have charged for the audit since 2009. Carland & Andersen does not charge by the program for additional compliance testing. The amounts listed above will cover all required compliance audit procedures and reports.

Basis/methodology of cost estimate:

The fees listed are our normal and customary professional fees based on the scope of services required by you and on the amount of time required at various levels of responsibility. Other costs, including travel, supplies, materials and other out of pocket expenses are considered to be nominal and are included in the cost proposal.