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MEETING NOTICE

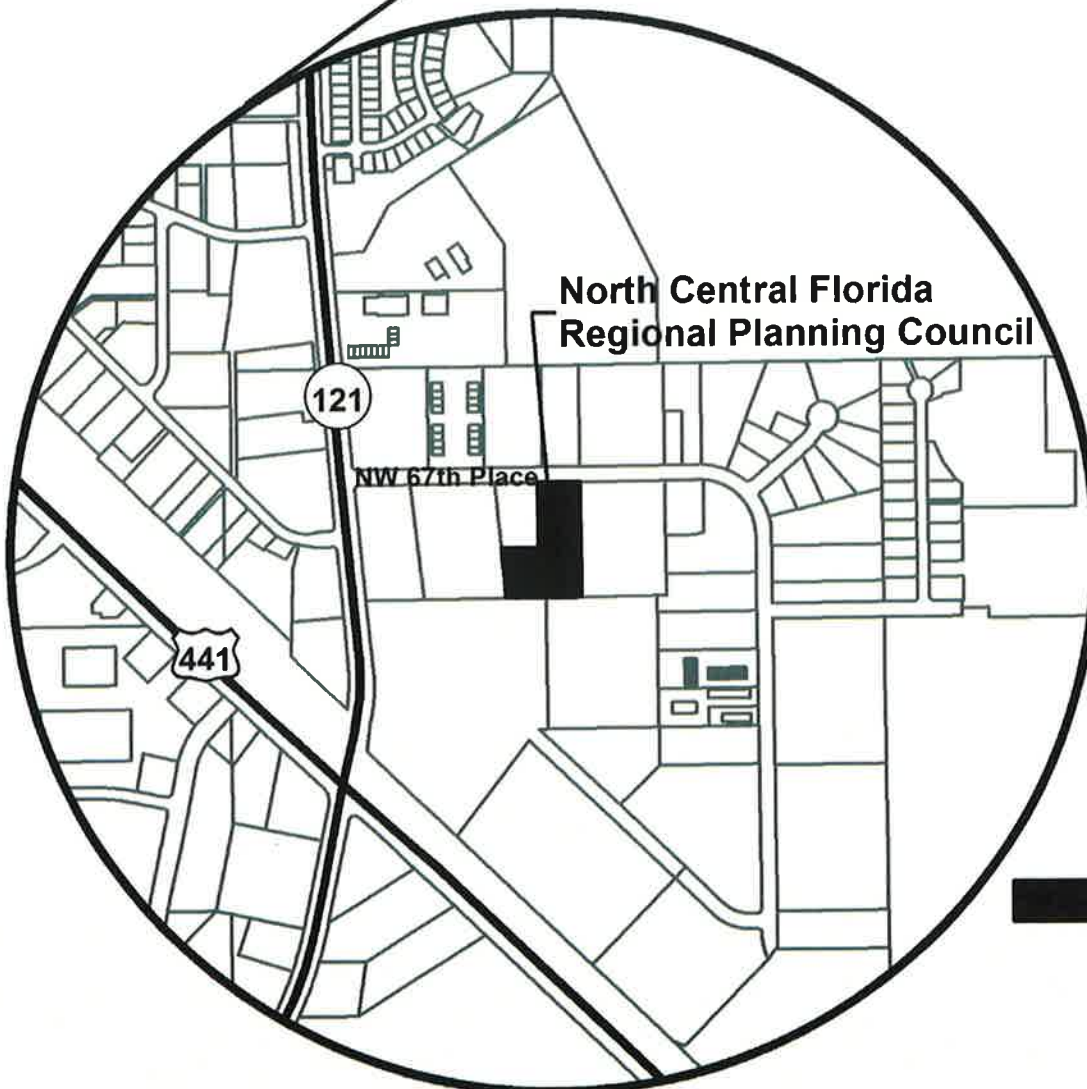
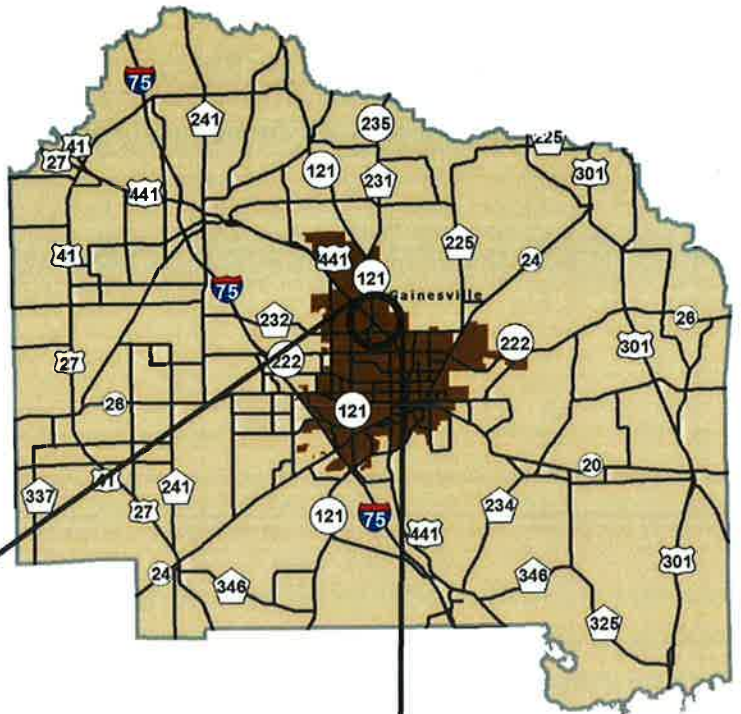
AUDIT COMMITTEE

There will be a meeting of the Audit Committee of the North Central Florida Regional Planning Council on September 14, 2016. The meeting will be held at the **North Central Florida Regional Planning Council, 2009 Northwest 67th Place, Gainesville, Florida at 11:30 a.m.**

(Location Map on Back)

North Central Florida Regional Planning Council 2009 NW 67th Place Gainesville, FL 32653-1603

Directions: From the intersection of State Road 121 (also known as Northwest 34th Street) and U.S. Highway 441 (also known as Northwest 13th Street) in the City of Gainesville head North onto State Road 121 (also known as Northwest 22nd Street), travel approximately 1,000 feet to NW 67th Place, turn right (East) onto NW 67th Place, travel approximately 1,000 feet and the North Central Florida Regional Planning Council is on the right.



1 inch = 1,000 feet

North Central Florida
Regional Planning Council





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AGENDA

AUDIT COMMITTEE

North Central Florida
Regional Planning Council
2009 NW 67th Place
Gainesville, FL

September 14, 2016
11:30 a.m.

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*	I. APPROVAL OF MINUTES - August 25, 2016	5
*	II. INTERVIEW WITH POWELL & JONES, CERTIFIED PUBLIC ACCOUNTANTS TO NEGOTIATE FEE FOR AUDIT SERVICES	7

* See Attachment

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Dedicated to improving the quality of life of the Region's citizens,
by coordinating growth management, protecting regional resources,
promoting economic development and providing technical services to local governments.

AUDIT COMMITTEE MINUTES

Holiday Inn Hotel & Suites
Lake City, Florida

August 25, 2016
6:30 p.m.

MEMBERS PRESENT

Rick Davis, Chair
Louie Davis
Lorene Thomas
Daniel Riddick
Robert Wilford

STAFF PRESENT

Scott R. Koons

COUNCIL ATTORNEY PRESENT

Jon Wershow

MEMBERS ABSENT

Todd Chase

OTHERS PRESENT

Brian Kauffman

The meeting was called to order by Chair Rick Davis at 6:31 p.m.

I. APPROVAL OF MINUTES - July 28, 2016

ACTION: Vice-Mayor Wilford made the motion, with a second by Mayor Davis, to approve the minutes of the July 28, 2016 Audit Committee meeting. The motion carried unanimously.

II. RANK AUDITING FIRMS IN PRIORITY ORDER

Vice-Mayor Wilford disclosed that he previously had a professional relationship with Carr, Riggs & Ingram, LLC. In particular, he stated when he served as executive director for two non-profit organizations Carr, Riggs & Ingram, LLC provided auditing services for those organizations. Jonathan Wershow, Council Attorney, stated that Section 112.3143, Florida Statutes, defines voting conflict as a relationship resulting in a special private gain that inures an economic benefit to a public officer. He further stated that the relationship disclosed by Vice-Mayor Wilford did not qualify as a voting conflict and Vice-Mayor Wilford was required to vote on the ranking of the auditing firms.

Committee members reviewed the qualifications and experience of two auditing firms, Carr, Riggs & Ingram, LLC and Powell & Jones, Certified Public Accountants who submitted proposals to provide auditing services for the Council and the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area for Fiscal Years 2016-17, 2017-18 and 2018-19 in response to a Request for Statements of Qualifications. The ranking criteria Committee members used to determine the priority order was the ability of personnel to perform work (30 points); experience (35 points); and the ability to furnish required services (35 points). Committee members then ranked the firms, as follows.

1. Powell & Jones, Certified Public Accountants
2. Carr, Riggs & Ingram, LLC

ACTION: Ms. Thomas made the motion, with a second by Vice-Mayor Wilford, to rank the auditing firms with Powell & Jones, Certified Public Accountants ranked number one, and Carr, Riggs & Ingram, LLC ranked number two and to invite Powell & Jones, Certified Public Accountants to attend the next Committee meeting on September 14, 2016 for an interview to negotiate a fee for auditing services. The motion carried unanimously.

Chair Davis stated that the next meeting of the Audit Committee will be held in the North Central Florida Regional Planning Council office on September 14, 2016 at 11:30 a.m. The meeting was adjourned at 6:51 p.m.

Rick Davis, Chair

9/14/16

Date



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September 7, 2016

TO: Audit Committee
Todd Chase
Louie Davis
Rick Davis
Daniel Riddick
Lorene Thomas
Robert Wilford

FROM: Scott R. Koons, AICP, Executive Director

SUBJECT: Interview with Top Ranked Auditing Firm

RECOMMENDATION:

Audit Committee interview the auditing firm, Powell & Jones Certified Public Accountants, to negotiate a fee for auditing services for Fiscal Years 2015-16, 2016-17 and 2017-18 and to recommend the selected firm and fees to the Council and Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area for approval.

BACKGROUND:

The Audit Committee met on August 25, 2016 to review the proposals submitted by the auditing firms, at which time the Committee ranked the firms in order by which they will be considered, as follows.

1. Powell & Jones, Certified Public Accountants
2. Carr, Riggs & Ingram, LLC

The Committee will meet September 14, 2016 for the purpose of interviewing the number one ranked firm. A final decision concerning the selection of an auditor, based upon the recommendation of the Committee, will be made by the Council at its September 22, 2016 meeting. The Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area will also be asked to make a final decision concerning the selection of an auditor, based upon the recommendation of the Committee, at its October 3, 2016 meeting.

Please find attached an Auditing and Accounting Services Fees Proposal for Fiscal Year 2015-16, 2016-17, and 2017-18. Also, please find attached an engagement letter for Fiscal Year 2016-17.

For Committee members who cannot attend the meeting in person, we will provide access to the meeting via a conference call. If you have any questions concerning this matter, please do not hesitate to contact me.

Attachments

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Dedicated to improving the quality of life of the Region's citizens,
by coordinating growth management, protecting regional resources,
promoting economic development and providing technical services to local governments,

**POWELL AND JONES, CPAs
NORTH CENTRAL FLORIDA REGIONAL
PLANNING COUNCIL
AUDIT AND ACCOUNTING SERVICES
FEE PROPOSAL**

A. AUDIT AND ACCOUNTING SERVICES

1. Annual audit of North Central Florida Regional Planning Council (NCFRPC), including Employee Pension Trust Fund in accordance with applicable auditing standards and regulations; specifically including the following services:

- A. Annual audit of NCFRPC.
- B. Routine telephone consultation to NCFRPC Board, Executive and financial staff.
- C. Audit of all grants received by NCFRPC. If any audit fee is provided for any grant, the fee will be refunded to the NCFRPC.

2. Compensation for services:

	<u>09-30-16</u>	<u>09-30-17</u>	<u>09-30-18</u>
Lump sum fee for services described in Section A, including all costs.	\$ 15,500	*	*

*Prior year fee adjusted by the change in CPI-U, not to exceed 3%.

B. CONSULTING SERVICES

As specifically authorized from time-to-time during our contract period, and as allowed by professional standards, we will provide consulting and management advisory services to NCFRPC, at the following hourly rates:

Firm partner	\$110 per hour
Other CPA	\$100 per hour
Accountant	\$ 90 per hour
Technician	\$ 50 per hour

Any associated travel would be billed at State of Florida rates.

These rates will not be increased throughout the duration of our audit contract.

C. RENEWAL AND TERMINATION

This contract is binding on our firm but is specifically renewable on the part of NCFRPC on a year-by-year basis.

I am authorized to submit this fee proposal on behalf of Powell and Jones, CPAs.

 7-3-2016
Richard C. Powell, CPA Date



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 719-5504
admin@powellandjonescpa.com

September 3, 2016

Mr. Rick Davis, Chair
North Central Florida Regional Planning Council
For the Gainesville Urbanized Area
2009 N.W. 67th Place, Suite A
Gainesville, FL 32653-1603

We are pleased to confirm our understanding of the services we are to provide North Central Florida Regional Planning Council for the Gainesville Urbanized Area for the year ended September 30, 2016. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of North Central Florida Regional Planning Council for the Gainesville Urbanized Area as of and for the year ended September 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement North Central Florida Regional Planning Council for the Gainesville Urbanized Area's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to North Central Florida Regional Planning Council for the Gainesville Urbanized Area's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of Expenditures of Federal Awards and State Financial Assistance

We have also been engaged to report on supplementary information other than RSI that accompanies North Central Florida Regional Planning Council for the Gainesville Urbanized Area's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 3) Schedule of Expenditures of Federal Awards and State Financial Assistance

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to management and the Board of Director of North Central Florida Regional Planning Council for the Gainesville Urbanized Area. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of

laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of North Central Florida Regional Planning Council for the Gainesville Urbanized Area's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of North Central Florida Regional Planning Council for the Gainesville Urbanized Area's major programs. The purpose of these procedures will be to express an opinion on North Central Florida Regional Planning Council for the Gainesville Urbanized Area's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of North Central Florida Regional Planning Council for the Gainesville Urbanized Area in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional

judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on September 30, 2016.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to [include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4)

you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to North Central Florida Regional Planning Council for the Gainesville Urbanized Area; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Powell and Jones, CPA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Powell and Jones, CPA's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a federal agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

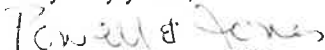
We expect to begin our audit on approximately January 15, 2017, and to issue our reports no later than April 1, 2017 unless extended by the Organization. Richard C. Powell, Jr. is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Terms for fees, time frames for audits and renewals are contained in our separate "Proposal for Audit Services". The fee for the current year audit will be \$_____.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of our contract. Our 2014 peer review report is available upon request.

We appreciate the opportunity to be of service to North Central Florida Regional Planning Council for the Gainesville Urbanized Area and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,


Powell and Jones, CPAs

RESPONSE:

This letter correctly sets forth the understanding of North Central Florida Regional Planning Council for the Gainesville Urbanized Area.

Management signature: _____
Title: _____
Date: _____

Governance signature: _____
Title: _____
Date: _____