

**RESPONSE TO THE REQUEST FOR PROPOSAL  
TO PROVIDE EXTERNAL AUDITING SERVICES**

**TO**

**CULTURAL COUNCIL OF GREATER JACKSONVILLE, INC.**



**Cultural Council**  
OF GREATER JACKSONVILLE

**Submitted To:**

The Board of Trustees  
Cultural Council of Greater Jacksonville, Inc.  
300 Water Street, Suite 201  
Jacksonville, FL 32202

**Submitted By:**

Mr. Dave V. John, CPA, CFE, CVA, Managing Director  
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**CULTURAL COUNCIL OF GREATER JACKSONVILLE, INC.**

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December 4, 2019

The Board of Trustees  
Cultural Council of Greater Jacksonville, Inc.  
300 Water Street, Suite 201  
Jacksonville, Florida 32202

Transmittal Letter

Dear Board of Trustees,

We are pleased to present the qualifications of Dave V. John, LLC (referred to hereinafter as the “Firm”) to perform auditing services for Cultural Council of Greater Jacksonville, Inc. (the “Organization”). By way of a summary of the qualifications, please be advised as follows:

**“WE KNOW NON-PROFIT ORGANIZATIONS”**

The team to be assigned to this proposed engagement has a considerable amount of not-for-profit, government and housing sector experience, in general, and specifically with organizations similar to the Cultural Council of Greater Jacksonville, Inc.

Our use of state-of-the art computer hardware and software assist us in providing timely, efficient services and makes us especially qualified to provide you timely, high-quality services.

Dave V. John, CPA, who will be the partner in charge of this engagement, has over twenty-three (23) years’ experience serving not-for-profit organizations, governmental units, and the housing sector.

Sheree M. Barnett serving as Audit Supervisor for the engagement, has over five (5) years’ experience serving private and public entities.

Yordan Garcia serving as Senior Auditor for the engagement, has over two (2) years’ experience serving private and public entities.

With the team’s familiarity with not-for-profit organizations, governmental units and the housing sector in general, this should minimize any disruptions of the Organizations daily routine and ensure a timely report issuance date.





**AUDIT COMMITMENTS OF DAVE V. JOHN, LLC**

We have demonstrated that the team of professional staff of the Firm possesses the extensive qualifications and relevant experience needed to serve the Organization. We assure the involvement of our top people on this engagement. The breadth of our experience, and the commitment of our partner and staff, assures that the Firm will provide the full expertise necessary to skillfully accomplish your objectives in a cost-effective and timely manner.

The Organization would be a very important client for the Firm, and we will view all work done for you with the utmost seriousness. We will meet required reporting dates, and are confident that, after you have had an opportunity to review our proposal, you will agree that we are the respondents best qualified to carry out a project of this scope and importance.

We have a strong desire to provide you with competent services of the highest quality and we would consider it a distinct privilege to serve you, and hope this proposal conveys this attitude.

Please feel free to contact me with any questions you may have.

Very truly yours,



Dave V. John, CPA  
Managing Director

DAVE V. JOHN, LLC

## **GENERAL INFORMATION**

Dave V. John, LLC is a Certified Public Accounting Firm with offices located in Jacksonville, Fort Lauderdale, Orlando, Fort Myers and Tampa. The Firm is licensed as a Certified Public Accounting Firm in the State of Florida. Dave V. John, the founder of the Firm has over twenty years of experience in public accounting and business consulting. The Firm consists of professional staff, including specialist necessary to provide any required engagement support. The Firm is principally devoted to auditing, forensic accounting, fraud investigation, management consulting, litigation support as well as traditional accounting and tax compliance work for individuals and their successful closely-held small to midsize businesses.

Mr. John has been designated as a Certified Fraud Examiner by the Association of Certified Fraud Examiner (CFE), having completed the ACFE's fraud examiners training program and certified examination. Mr. John has also been designated as a Certified Internal Control Auditor by the Institute for Internal Controls. Additionally, Mr. John is approved by the American Institute of Certified Public Accountants (AICPA) and the Florida Institute of Certified Public Accountants (FICPA) to perform peer review of Certified Public Accounting Firms' accounting and auditing practice, to ensure they maintain the highest standards of professionalism and to assure the public of quality audit performance.

## **INDEPENDENCE**

Dave V. John, LLC affirms that we meet the independence requirements of the American Institute of Certified Public Accountants. As defined by generally accepted auditing standards, we are independent of the Organization. We further certify that the Firm and its employees are independent of the Organization and have no conflict of interest. We will give written notice of any professional relationships entered into during the period of this engagement.

## **QUALITY CONTROL**

The Firm is a member of the American Institute of Certified Public Accountants and participates in the AICPA Peer review program, a voluntary self-regulatory program organized to promote the highest standards of professionalism and to assure the public of quality audit performance. The Firm participates in an external quality review program which requires an on-site independent examination of our accounting and auditing practice. Dave V. John, LLC has received a Pass, in the Firms most recent peer review, which is the highest level a firm could receive. The Firm is also a member of the Government Audit Quality Center and Private Companies Practice Section as such must comply with a comprehensive quality control process specific to governmental and private engagements. A copy of the report on the Firms most recent quality review is included in the Appendices.



## **INVESTIGATION, DISCIPLINARY ACTION, AND LITIGATION**

The Firm and the members of the engagement team have never been involved in any litigation, proceeding or disciplinary action in any manner related to our professional activities nor has a complaint been filed with the Florida Department of Business and Professional Regulation or any other regulatory body.

## **MANAGEMENT LETTERS**

The Firm will prepare a management letter for the Organization to identify any systemic deficiencies observed. The letter also may offer recommendations for changes in accounting and other procedures in order to improve the audit process. As each potential management letter point is identified in the audit process, the engagement team will document the condition, our recommendation, and the benefits of the recommended action. All potential comments will be reviewed with the management of the Organization; our policy is to prepare this report as a vehicle for suggesting improvements to enhance efficiency, management effectiveness, and the degree of internal control.

## **COMPUTER AND SOFTWARE CAPABILITIES**

We have all the necessary computer and software capabilities, along with the technical knowledge specific to audit performance. We utilize audit software that increases audit efficiency by enabling electronic exchange of information between the audit team and the Organization's staff. Electronic work papers continue to improve productivity and efficiency in the audit process. These efficiencies are passed on to our clients through lower fees. The Organization work papers will be electronically submitted and imported into our audit programs saving the Organization time and the cost of copy or printing such work papers. We believe our unique combination of technical expertise, auditing, and accounting capabilities, along with our philosophy of total service, provides our clients the highest quality audit and accounting performance available.

## **LICENSE TO PRACTICE IN FLORIDA**

Dave V. John certifies that the Firm is in total compliance with the Florida State Board of Accountancy's requirements, including licensing of all assigned key professional staff. Current Firm License No is: AD64904. A copy of the firm's license is included in the Appendices.

## **WORK PAPER RETENTION**

The audit documentation of the Organization's engagement will be retained for a minimum of five years after the report release or any period requested by the Organization.

## **YEAR-ROUND INVOLVEMENT**

Our involvement with the Organization and its finance department does not end when our financial statements are issued. We will remain involved with the Organization through our monthly reviews of the minutes of the board and communication regarding new accounting standards that may affect future audits. Our year-round involvement ensures a timely and efficient audit and helps us, and the Organization address any issues before the audit.

## **EQUAL OPPORTUNITY EMPLOYER**

We do not discriminate against any individual because of race, religion, sex, color, age, handicap or national origin, and we affirm that these will not be a factor in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion or separation.

## **WORKLOAD**

Our engagement team's workload is organized in such a way that the additional activities brought about by this engagement will *not* impact our current commitments to other clients. We have sufficient staff capacity to integrate this professional service for the Organization into our present operations, while continuing to maintain the highest standards of quality and timelines to all of our clients.

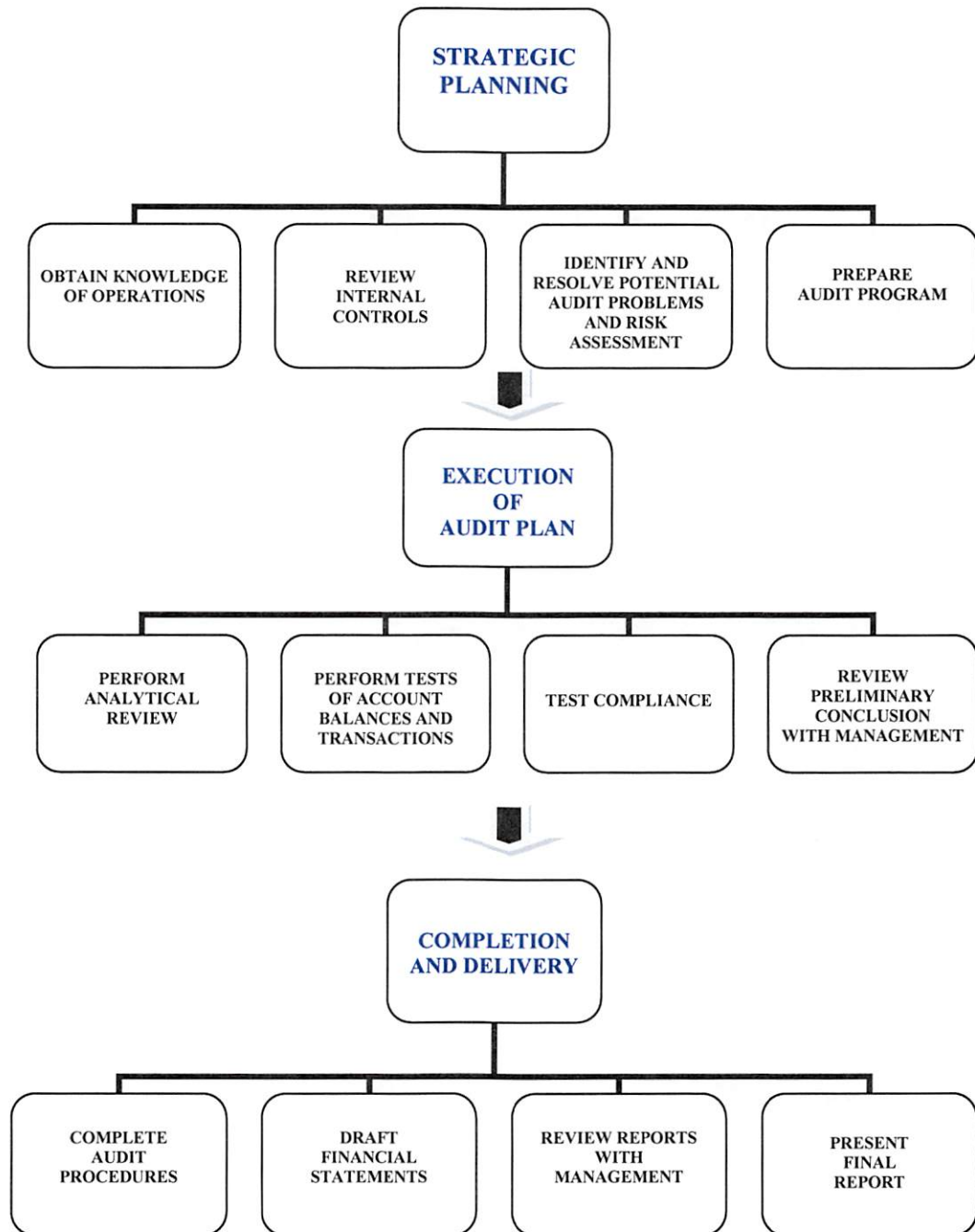
## **PROFESSIONAL MEMBERSHIP**

Dave V. John, LLC is a member in good standing with the American Institute of Certified Public Accountant and the Florida Institute of Certified Public Accountants. Our Firm is properly licensed to practice in the State of Florida.



## APPROACH TO AUDIT PLAN

Our approach to the audit engagement integrates traditional auditing techniques with a total system concept. We will consider the methods used by the Organization to process accounting information when planning our audit, since they influence the design of internal control. The audit will be conducted in the three phases which are shown on the chart.





## **APPROACH TO AUDIT PLAN – continued**

Along with the information gathered from the Organization, we will use our broad experience with non-profit entities to plan an efficient and effective audit strategy. Our audit will be conducted in accordance with auditing standard generally accepted in the United States of America. We will also consider state statutes and local ordinances applicable to the Organization.

### ***Segment 1: Strategic Planning***

Our overall audit strategy will be to perform risk assessment procedures to obtain an understanding of the entity and its environment, including internal controls. We will use the results of our risk assessment procedures to assess risk at the financial statement level and at the relevant assertion levels. Significant accounts are identified based on quantifiable information and the extent to which they are affected by subjective judgments.

Our detailed plan will include the nature, timing and extent of further audit procedures to reduce audit risk to an acceptably low level. The nature, timing, and extent of procedures include those to assess the risk of material misstatement; those to test relevant assertions at the material class of transactions, account balance, and disclosure level; and those to test the operating effectiveness of controls.

Initial year planning procedures consist of developing an in-depth understanding of the Organization and its internal control environment. These procedures will be performed by the experienced partner. This in-depth understanding will ensure the development of the most effective and efficient audit possible for the Organization. In subsequent years, planning procedures will consist of updating the understanding we have developed about the Organization.

### ***Segment 2: Execution of Audit Plan***

Our technical approach to the audit fieldwork includes analytical review, various sampling techniques, and the use of automated work paper and audit software. An analytical review is done as early as possible in the engagement as changes in ratios or relationships may indicate the need to increase or decrease audit work. The information we obtain during our initial planning meetings will be crucial to developing effective analytical review procedures. Analytical procedures are an important part of the audit process and range from simple comparison to use of complex models involving many relationships and elements of data.

Understanding financial relationships is essential in planning and evaluating the results of analytical procedures and requires knowledge of the Organization and the industry in which the Organization operates. Understanding the purpose of analytical procedures and the limitations of those procedures is also important. Accordingly, the relationship and the types of data used, as well as conclusions reached when recorded amounts are compared to expectations, require the auditor's judgment. In addition, we will perform the following:

## **APPROACH TO AUDIT PLAN – continued**

### *Segment 2: Execution of Audit Plan – continued*

- Perform various tests and validation procedures on selected assets, liability and equity accounts in all funds.
- Examine certain revenue and expenditure accounts in all funds.
- Send confirmation were applicable.
- Send correspondence to attorneys as necessary.
- Perform final analytical procedures.
- Obtain management representation letter.
- Working paper review and journal entry approval.
- Exit conference with Finance Director.

### *Segment 3: Completion and Delivery*

Following the completion of the audit, we will issue the following reports:

- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- A report to management letter.
- Review work papers.
- Finalized audit procedures.
- Communicate final results to management.
- Present audit report to the Board of Directors.

### Assistance to be provided by the Organization staff

In order to perform an effective and efficient audit, we will rely on the Organization staff to prepare reconciling and back-up schedules, as well as retrieve back-up documents as necessary. Management level employees will also be relied upon to answer various audit questions and explain particular variances as they arise. The Organizations staff and management will be allowed necessary time to comply with our audit requests for documents; the Firms staff will always be available to answer any questions from the Organizations' staff.

### Communication

The Firm's working relationship with the Organization will stress communication and prompt discussions of all important matters as they arise. The Firm's partner and staff will meet with the Organizations' representative on any material matters that could affect the financial position or results of operations. We will report regularly to the Organization on the status of any potential adjustments.



## **DAVE V. JOHN, LLC PLEDGE WE WILL:**

- Provide a qualified and experienced audit team processing knowledge of the operation and administration of the Organizations' accounting and reporting for operations pursuant to auditing standards and legal requirement.
- Demonstrate our commitment to quality client service.
- Prompt response to questions, comments, or request.
- Insight and suggestions regarding internal controls, management, and operation, as proper for financial consideration.
- Provide value and services above and beyond the traditional auditor's "product"-we will "go the extra mile".
- Coordinate with the Organization, to ensure minimum disruption and maximum contribution of the Organization.
- Develop and maintain open lines of communication with the Organization to help expedite the audit process and avoid awkward end-of-engagement "surprises".
- The Managing Director and staff of Dave V. John, LLC are committed to providing the Organization our resources and specialized expertise. We vow to work closely with the Organizations staff to exceed your expectation.



## SCHEDULE

Following is our proposed timeline for completing the audit. Should your needs require a more accelerated timeframe we are prepared to make adjustments accordingly.

<b>Tentative Timeline for Key Phases of Engagement</b>							
	<b>Days</b>						
	<b>1-7</b>	<b>8-14</b>	<b>15-21</b>	<b>22-28</b>	<b>29-35</b>	<b>36-42</b>	<b>43-49</b>
Organization and Industry Information							
Understanding Control Environment and Risk Assessment							
Audit Compliance Testing							
Audit Procedures							
Communication and Reporting							
Continuous Assessment	Continuously throughout term of engagement						
DELIVERABLES					◆ Draft		◆ Final

## **PROPOSED FEES SCHEDULE**

Our professional fees for the services described will be based upon the standard hourly rates for individuals assigned to the Organizations' engagement. Based upon our experience in other similar engagement, our proposed fee for the engagement as listed below for of the Cultural Council of Greater Jacksonville, Inc. is as follows:

Audit of Financial Statements for the period ending:

- September 30, 2019                      \$10,500 to \$11,500
- September 30, 2020                      \$11,500 to \$12,000
- September 30, 2021                      \$12,000 to \$12,500

Preparation of Organization Federal Tax Return for the period ending:

- September 30, 2019                      \$950
- September 30, 2020                      \$1,000
- September 30, 2021                      \$1,050

The Firm's proposed fee reflects the full absorption of the engagement start-up cost. Additionally, as a matter of the Firm's policy, we do not charge for partner's time to attend the Organizations' meetings. Accordingly, if requested, we will attend the meeting of the Board of Directors of the Organization, at no cost. All other services will be at our standard hourly rates.

**DAVE V. JOHN, CPA, CFE, CVA, CICA**

**PROFESSIONAL  
CERTIFICATION**

Certified Public Accountant (C.P.A) in Florida and Georgia  
Certified Fraud Examiner (C.F.E), since 2001  
Certified Valuation Analysts (C.V.A), since 2002  
Certified Internal Controls Auditor (C.I.C.A), since 2008  
Forensic Certified Public Accountant (FCPA), since 2006

**EXPERIENCE**

Twenty-three (23) years of professional public accounting experience Mr. John has extensive experience serving non-profit organization, churches, governmental entities, construction companies, mortgage companies, and condominium and homeowner association.

**EDUCATIONAL**

Master's degree in Accounting.

**PROFESSIONAL AND  
BUSINESS AFFILIATION**

American Institute of Certified Public Accountants (AICPA)  
Florida Institute of Certified Public Accountants (FICPA)  
National Association of Certified Valuation Analysts (NACVA)  
Association of Certified Fraud Examiner (ACFE)



## **SHEREE M. BARNETT**

**POSITION IN FIRM**      Audit Supervisor

**EXPERIENCE**              Five (5) years of combined public and private accounting experience. Ms. Barnett has performed audits, accounting various clients in the not for profit and for profit industry.

**EDUCATIONAL  
BACKGROUND**              Baccalaureate degree, Accounting  
Master's degree, Forensic Accounting

## **YORDAN GARCIA**

**POSITION IN FIRM** Senior Auditor

**EXPERIENCE** Two (2) years of combined public and private accounting experience. Mr. Garcia has performed audits, accounting various clients in the not for profit and for profit industry.

**EDUCATIONAL  
BACKGROUND** Baccalaureate degree, Accounting.



Ron DeSantis, Governor

Halsey Beshears, Secretary



**STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

**BOARD OF ACCOUNTANCY**

THE ACCOUNTANCY CORPORATION HEREIN IS LICENSED UNDER THE  
PROVISIONS OF CHAPTER 473, FLORIDA STATUTES



**DAVE V JOHN LLC**

4788 WEST COMMERCIAL BLVD  
TAMARAC FL 33319

LICENSE NUMBER: AD64904

EXPIRATION DATE: DECEMBER 31, 2021

Always verify licenses online at [MyFloridaLicense.com](http://MyFloridaLicense.com)



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# *Michael C. Becker & Co.*

*Certified Public Accountants*

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West Palm Beach, Florida 33409

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Boca Raton (561) 391-0945  
Miami (305) 266-6691  
Fax (561) 697-4339

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

September 21, 2018

To the member of Dave V. John, LLC  
and the Peer Review Committee of the Florida Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Dave V. John, LLC (the firm) in effect for the year ended March 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](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.

Members, American Institute of Certified Public Accountants

Florida Institute of Certified Public Accountants

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**CULTURAL COUNCIL OF GREATER JACKSONVILLE, INC.**

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*.

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

### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Dave V. John, LLC in effect for the year ended March 31, 2018, 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*. Dave V. John, LLC has received a peer review rating of *pass*.

*Michael C. Becker & Co.*  
Michael C. Becker & Co.

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Members, American Institute of Certified Public Accountants

Florida Institute of Certified Public Accountants