

Proposal to Provide Audit and Tax Services

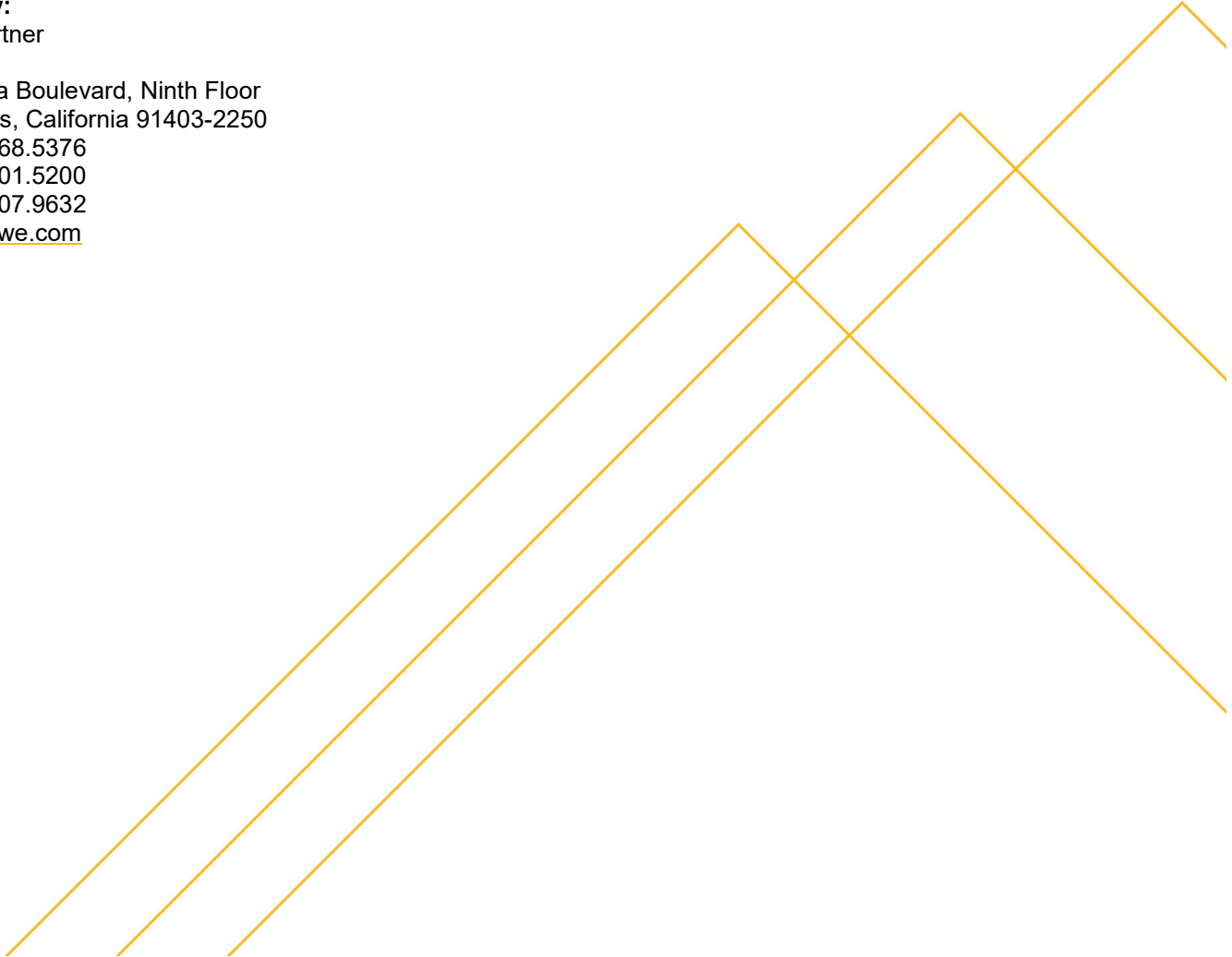
December 7, 2018

Submitted to:

Thomas Leung, University Controller
California State University, Los Angeles
5151 State University Drive
Los Angeles, California 90032
tleung@calstatela.edu

Submitted by:

Kathy Lai, Partner
Crowe LLP
15233 Ventura Boulevard, Ninth Floor
Sherman Oaks, California 91403-2250
Direct 714.668.5376
Tel 818.501.5200
Fax 818.907.9632
kathy.lai@crowe.com





Crowe LLP
Independent Member of Crowe Global
15233 Ventura Boulevard, Ninth Floor
Sherman Oaks, California 91403-2250
Tel 818.501.5200
Fax 818.907.9632
www.crowe.com

December 7, 2018

Thomas Leung, University Controller
California State University, Los Angeles
5151 State University Drive
Los Angeles, California 90032
tleung@calstatela.edu

Dear Mr. Leung,

Crowe LLP ("Crowe") appreciates the opportunity to confirm our qualifications to provide audit and tax services to the California State University, Los Angeles (Cal State LA) Auxiliary Organizations.

Why Choose Crowe?

Crowe is a top ten public accounting, consulting and technology firm with a strong commitment to the public sector. We specialize in providing auditing services to over 440 not-for-profit, government and education clients nationwide, with approximately 100 public sector clients served locally in California. Many of your key proposed team members are active alumni from the CSU system – from Cal State LA to Fresno State to Cal Poly Pomona – and they are all enthusiastic about giving back to their alma mater in a different capacity as external auditors. On a personal note, as your lead engagement partner, I have actively served on the external audit for the CSU system for over 12 years – auditing not only the systemwide audit but many of the individual campuses and their related auxiliaries, including Cal State LA. I've watched the system go through intense challenges over the years and am passionate about the possibility to continue serving this great higher education institution as an external auditor. We believe the following qualities and characteristics demonstrate how Crowe is best qualified to serve the Cal State LA Auxiliary Organizations:

- **Leadership in Serving the Public Sector.** Crowe provides audit services to over 75 public education, 100 governments and 250 not-for-profits, many of which are recipients of state and federal funding thereby requiring different compliance audits such as the Single Audit. As a top ten public accounting firm, we have entire teams dedicated to providing additional services beyond external audit and tax services, such as internal audit, enterprise risk management, technology consulting, and strategic planning in the public sector. Having this diverse skill set of professionals available to your organization benefits you as your needs and risks evolve over time. We bring an in-depth knowledge of the public sector, as well as the industry best practices, implementation methods, and governance/standards disciplines required to be successful.
- **National and Local Thought Leadership.** Crowe has over 200 individuals that serve public sector nationally. A specific and relevant example of our dedication to public sector is your proposed engagement partner's tenure on a select 15-member AICPA State and Local Government Expert Panel. In addition, Crowe also serves on the AICPA Not-for-Profit Expert Panel. Selected from amongst 400,000 CPAs because of technical expertise, Crowe is inherently able to provide the latest on emerging accounting and financial standards directly to the Auxiliaries.

We are very active in all areas of government and not-for-profit thought leadership and present for the AICPA Government and Not-for-Profit Conference annually, Government Finance Officers Association (GFOA), National Grants Management Association (NGMA), CalCPA and California Society of Municipal Finance Officers (CSMFO). As a commitment to local thought leadership specific to the CSU Auxiliaries, Crowe is a proud sponsor of the AOA Annual Conference in January. We strongly believe that the best way to understand the challenges that delay our clients is to spend time with them in the learning setting where emerging issues and solutions are discussed.

- **Involvement of Experienced Personnel.** A factor that differentiates us most from our competition is the access to and involvement of our most experienced personnel. The interaction spent with our clients by our senior personnel is proportionally greater than virtually any other accounting firm. Our executives are available throughout the year, not only during audit fieldwork, as we know that accounting related issues arise year round. By working with senior professionals, you receive prompt and specialized advice from accountants who have in-depth knowledge of your risk concerns. We have included résumés of key specialists who will serve you.
- **Exceptional Client Service.** We believe that effective communication is key to an exceptional client experience. By listening to our clients' needs, we design our work plans to exceed our clients' expectations. We hold ourselves accountable to the standards of superior performance by monitoring our service through feedback tools to track client satisfaction, engagement value, and timely issue resolution. In our proposal documentation and through reference discussions with the clients listed, you will see evidence of our strong customer service orientation.
- **Commitment to Diversity and Inclusion.** Crowe's firm commitment to diversity and inclusion parallels the commitment of the CSU System. We firmly believe by increasing understanding and inclusive dialogues and committing to diverse teams, that the outcomes are always stronger. For this reason and others, Crowe has included KSGA, LLP, a member of our alliance network CPA Connect, as a subcontractor to Crowe. KSGA, LLP is a full-service accounting & consulting firm located in Los Angeles County and a predominantly minority-owned firm. Steven Kang, Managing Partner of KSGA LLP, is an active alumni from Cal State LA and has served as a member of the Accounting Advisory Board. Steven has committed the full support of his assurance leader, Mike Song, to serve on the Auxiliaries with Crowe. Together, KSGA LLP and Crowe will provide a diverse team of qualified professionals to the table. It also provides an opportunity for Crowe to provide a more cost effective solution and to be competitive in our pricing, yet realistic about the level of effort required to provide quality services. Our goal is to provide the most competitive pricing and to respect any of the Auxiliary budgetary constraints. As Crowe will be the primary firm signing the audit reports, KSGA LLP will be integrated to the same quality control and training requirements on the engagement.

Helping clients succeed is our intent for every relationship. Our goal is to work with you to deliver a unique solution that exactly meets your needs and value expectations. If we can provide any additional information on our experience and qualifications, please contact me directly at 714.668.5376 or via email at Kathy.Lai@crowe.com. We welcome further discussion with you and other representatives from the Auxiliary Organizations regarding our proposal.

Sincerely,


Kathy Lai
Partner

Table of Contents

Our Understanding of Your Needs 2

- Why Crowe? 2
- Audit Approach 3
- Overview – UAS, ASI, Cal State LA Foundation, and USU Scopes of Work..... 3
- Single Audit Approach 16
- Tax Technology – C-TRAC®..... 18
- Technology and Innovation..... 22

Your Client Service Team 26

- Deep Industry and Functional Expertise..... 26
- Exceptional Client Experience 27
- Staff Continuity..... 27

Estimated Hours 28

References 29

Fees 30

- Fee Summary 30
- Fee Assumptions 30
- Fees for Additional Services 31

Timeline 32

Attachment A 33

Peer Review 39

Appendix A: Resumes 40

Appendix B: Firm Profile 62

- Organizational Structure 62
- Office Locations 62
- Independence and Objectivity 63
- Regulators and Standards Setters..... 63
- Our Values 63
- Diversity and Inclusion..... 64
- Environmental Sustainability Commitment and Goals..... 64
- Education and Professional Development..... 64
- Employee Satisfaction 65
- Client Feedback 65
- Professional Standings and Recognition..... 66

Appendix C: National Credentials 67

Appendix D: Higher Education Clients 68

Our Understanding of Your Needs

1. A statement of your understanding of the work, descriptions of the audit approach, and illustrations of procedures to be employed.

We understand that you require an experienced, proficient provider that has the experience necessary to assist California State University, Los Angeles and all Auxiliary Organizations with Audit and Tax services.

We understand the initial audit will cover fiscal years July 1, 2018 to June 30, 2023. Additionally, we understand the term will be for five years with two one-year renewal options.



Why Crowe?

Crowe is a global firm with a commitment to excellence, deep specialization, and timely response. We accomplish this by listening to our clients – about their businesses, trends in their industries, and the challenges they face.

Capabilities and Expertise

A qualified audit services provider has the capacity and expertise to meet your needs. Throughout the remainder of this document, we have detailed our qualifications. Listed below are the main points of emphasis.

- We offer an engaged team of audit specialists who have focused their entire careers serving tax-exempt entities, including many higher education and auxiliary organizations.
- The engagement team, and the auxiliary organizations, will draw expertise from Crowe's more than 170 full-time professionals dedicated to serving this industry. We will use our team's experience and knowledge to advise you on business, regulatory compliance, tax, and accounting matters, making full use of broad financial and management consulting experience available within our firm.
- We will leverage the knowledge gained by serving more than 600 tax-exempt organizations nationwide, including multiple foundations that are similar to your organization. We have experience with the issues that the auxiliary organizations face, including clients with similar federal awards, endowments and investments.
- Our team is led by partners who actively participate in national committees and disseminate this information to our clients and staff. Our national appointments include various roles with the FASB and the AICPA. Please see **Appendix C** for our national credentials in the higher education space.

Audit Approach

Overview – UAS, ASI, Cal State LA Foundation, and USU Scopes of Work

Our approach to any new project is the same – we invest a significant number of hours understanding the organization's operations, current year activities, and future initiatives, along with our experience with other transportation agencies, to create a customized audit plan that addresses each organization's unique financial reporting risks. Upon designing our tailored audit plan, we execute the project with the assistance of our proprietary project management and audit software technology. We are confident that the combination of our project tools and tailored audit approach benefit our clients through a faster, more efficient audit process. We spend time focused on the areas that matter for compliance and materially accurate results.

(1) Approach to Scope of Work

Transition Plan

A smooth transition is important to the CSU LA Auxiliary Organizations and Crowe. You have been audited by the same firm for many years and may have grown accustomed to certain ways of doing things. This is a chance to rethink how you perceive your internal financial management, audit and business partner relationships and start fresh. However, with a change in auditors, Crowe, UAS, ASI, Cal State LA Foundation, and USU must be willing to invest the time necessary to facilitate change properly. We expect to make an investment in our relationship, which will be mutually beneficial to our organizations.

Upon approval of Crowe as UAS, ASI, Cal State LA Foundation, and USU's auditor, we will schedule a planning meeting to meet with each management team to discuss roles and expectations of Crowe. Other audit planning meetings may be scheduled to discuss specific accounting, financial reporting, and new developments. Key elements of an effective transition plan include:

- Developing client and auditor expectations and performance measurements
- Developing timelines for audit services
- Communicating our audit approach
- Facilitating due diligence and communications with predecessor audit firm

We will move quickly to execute the contract and engagement letter. We will perform our formal due diligence and client acceptance procedures after you have communicated with your previous audit firm. As part of that process, UAS, ASI, Cal State LA Foundation, and USU will need to request of their predecessor auditor that Crowe have access to the predecessor firm's work papers and schedule a time to review. The above services are included in the fee agreement we have provided.

Project Management

In order to provide the audit services efficiently and effectively, the key is effective and efficient project management. Our team will work collaboratively with UAS, ASI, Cal State LA Foundation, and USU to implement a project management approach. We will work with you to develop and coordinate all plans, activities, timelines, milestones and deliverables, as well as develop appropriate communication methods for stakeholders. This collaboration will allow us to leverage the unique expertise that exists within UAS, ASI, Cal State LA Foundation, and USU, develop greater buy-in from staff and make it significantly easier for UAS, ASI, Cal State LA Foundation, and USU to issue the final reports.

We believe a well-planned audit approach is critical to the success of any engagement. Crowe focuses heavily on the audit planning stages working closely with management to assess risk and develop the overall approach. Upon engagement, we will conduct a planning session to develop an audit calendar fully that meets the needs of UAS, ASI, Cal State LA Foundation, and USU. We will agree upon all due dates and timelines with you during the planning meeting. Our goals for the engagement are timely completion and no surprises for UAS, ASI, Cal State LA Foundation, or USU. We do not have concerns with meeting the timelines you have outlined assuming a reasonable level of preparedness by each organization.

Our project management approach includes integrating the work associated with certain tasks (understanding and testing of controls surrounding certain processes such as accounts payable and non-student receivables, for example) with the individual audits by utilizing the same engagement teams and coordinating procedures that may affect more than one reporting entity. We believe that using additional public sector team members for the UAS deliverables will allow us to complete the engagement effectively given the volume of deliverables. We are happy to discuss and provide more detailed timelines after gaining a better understanding of your internal reporting cycles. We have no concerns about our ability to meet and exceed your expectations on reporting timelines.

CiRT® Technology to Support Overall Audit Project Management

We utilize audit technology tools to support the audit and we use a variety of methods to communicate with you. We believe it is very important to have personal interaction on-site, as well as communication by phone and email throughout the year. To support our personal interactions, we offer our clients an advanced technology tool for gathering and sharing audit information and for project management. When preparing for an audit or complex projects, the need for documentation can seem overwhelming. One of the common challenges is handling multiple requests for information, not to mention delivering the right information to the right people on time.

To ease these challenges, we have developed the Crowe Information Request Tracker (CiRT) solution, which is a secure, Internet-based tool for improved project management. CiRT makes it easy for organizations to upload needed documents, ask questions related to specific requests, and enter significant details – such as process owner, due date, and current status. Benefits that our clients have identified include:

- Saves time
- Facilitates efficient communication
- Promotes task delegation and prioritization
- Reduces duplicate requests and minimizes disruptions
- Enables efficient project management

With this innovative tool, you can manage workflow through a centralized individual who can assign and delegate requests to other company personnel; track project activity by assigned individual, due date, and status with a user friendly, easy-to-use, dashboard interface; quickly view and monitor project progress with an at-a-glance report feature; and access how-to videos and training materials through the enhanced learning center.

CiRT offers clients improved efficiency, effectiveness, and auditor/client communication because it:

- Provides one place to post all information requests/responses
- Enables UAS, ASI, Cal State LA Foundation, and USU to ask questions regarding requests, the answers to which are automatically saved
- Allows UAS, ASI, Cal State LA Foundation, and USU management to easily re-assign tasks internally and review completed responses

- Retains prior years' information requests/responses for reference and/or re-use in the current year
- Displays the status of all requests by status, due date, completion date, and assigned responder
- Is accessible at all times, to all designated UAS, ASI, Cal State LA Foundation, and USU and Crowe personnel, from any web-connected computer
- Uses an encrypted connection to send documents, avoiding mailing or email security risks

Project management through the use of CiRT can make the audit process much smoother and faster for your entire team.

Below is a screenshot of CIRT:

The screenshot displays the Crowe Information Request Tracker (CiRT) interface. At the top, it shows the user's name (Linda), the current project (ABC Company Inc 01/01/18 - 12/31/2018), and navigation options like 'REQUESTS', 'QUESTIONS', 'REPORTING', and 'LEARNING CENTER'. A table lists various requests with columns for Request, Owner, Preparer, Due Date, and Status. The selected request is 'Year End 08 Allowance for Doubtful Accounts', which is a 'Documentation Request' due on 3/31/2018. The detailed view on the right shows the request name, requested by (Linda), due date, status (Submitted), and owner (Cosmo Controller). It includes an 'Instructions' section with a text box for providing calculations, a 'Response' section with a text area, and a 'Response Documents Uploaded' section with one document attached: 'Allowance for 2018.docx'. A 'Questions' section shows a question from 'Cosmo Controller' asking about report scope, with a response from 'Jackson, Brian'.

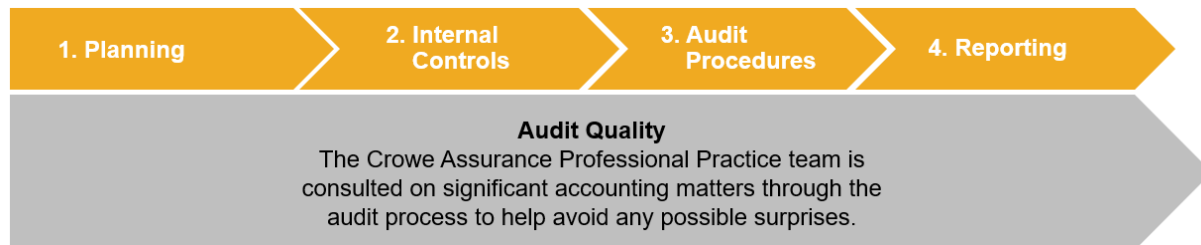
Request	Owner	Preparer	Due Date	Status
Year End 31 2018 Bonus Payment Support	maggie9 Lego9		3/31/2018	
Year End 09 Accounts Payable Aging	Bob Smith		3/31/2018	✓
Year End 09.1 Accounts Payable Confirmations	Bob Smith	Bob Smith	3/31/2018	
Year End 04.1 Accounts Receivable Confirmations	Cosmo Controller		3/31/2018	
Year End 32 Accrued Payroll Liabilities	Cosmo Controller		3/31/2018	
Year End 23 Activity by Part Number	Cosmo Controller		3/31/2018	
Year End 08 Allowance for Doubtful Accounts	Cosmo Controller		3/31/2018	
Year End 10.1 AP Open Invoice Selections	Cosmo Controller		3/31/2018	
Year End 04 AR Aging	Cosmo Controller		3/31/2018	
Year End 04.2 AR Confirm Support Documentation	Cosmo Controller		3/31/2018	
General YE 04 Balance Sheet	Cosmo Controller		3/31/2018	

(2) Audit Activities

Financial Audit Approach

We believe a well-planned audit approach is critical to our relationship with UAS, ASI, Cal State LA Foundation, and USU. Crowe focuses significant efforts in the planning stages of the audit to work closely with the staff of each organization in the development of the overall approach, preparation and deliverables.

The audit schedule, developed as part of a thorough planning process, will be adopted by Crowe to meet each organization's deadlines. Crowe's risk-based audit approach includes the following phases followed by a description of specific tasks to accomplish during each phase of fieldwork.



Phase I – Planning

Audit Strategy Development and Entity-level Controls Assessment and Testing

This phase of the audit process includes all pre-engagement activities; the preliminary planning process; obtaining an understanding of each organization, its environment; evaluating and testing the design of entity-level controls; and identifying significant risks and our planned response to those risks.

Prior to each engagement, we determine whether to accept or continue the client relationship, evaluate our independence, develop a preliminary overall audit strategy, establish an understanding of the engagement terms, and document that understanding in an engagement letter. Once these activities have been completed, we begin our planning process.

Planning affords us an opportunity to work closely with you to develop audit objectives and outline a plan for meeting those objectives. The planning process includes:

- Identifying the areas of audit emphasis;
- Assessing risk and materiality;
- Designing audit techniques and procedures;
- Discussing and assigning responsibilities; and
- Formalizing the reporting timetable.

During planning, we will ask you to identify areas of higher risk, which we will later address by designing specific controls or substantive tests customized to you. The Crowe approach includes direct input from your management team to ensure our understanding of the scope of perceived risk, your perspectives on the risk, and your expectations of the audit.

We will also review your recent audit reports to enhance our efficiency in requesting information and minimize your staff's time during our fieldwork. In addition to meeting with management, we will also make inquiries of those "charged with governance" as required by SAS 114. This standard requires us to communicate the auditor's responsibilities under generally accepted auditing standards and an overview of the planned scope and timing of the audit to the individuals identified as "those charged with governance."

Our key audit planning steps include:

- **Entrance Conference.** Designed to give our engagement team an overall understanding of your organization and any concerns or needs that you may have. Kathy, Jeff, Mike, Art, Jennifer, and Joseph will meet with you to coordinate audit timeframes and due dates, as well as determine the level of assistance we need from your staff and management team. A list of interim audit requests will be provided via CiRT shortly after the close of the conference.
- **Preliminary Analytical Review.** Art, Jennifer, Joseph, Scott, and Colleen will request information obtained from various sources, including conversations with management, review of board minutes and internal financial statements, as well as budgets, to perform a preliminary analytical review of account balances. During the review, we will study trends, percentage changes, ratios, and other financial data relationships through data analytics.
- **Brainstorming Meeting to Discuss Risk of Material Misstatement.** The entire Crowe engagement team, including the signing executive, will meet to discuss the susceptibility of the financial statements to material misstatement due to error or fraud. This meeting allows team members to share knowledge and gain a better understanding of the potential for material misstatement of the financial statements, including how management could perpetrate and conceal fraudulent financial reporting and how assets of the entities could be misappropriated.
- **Assessment of Audit Risk and Materiality Levels.** Audit risk (the risk that an auditor may unknowingly fail to modify its opinion on materially misstated financial statements) and materiality must be considered together in designing the nature, timing, and extent of audit procedures. Art and Jennifer will determine our overall level of materiality using professional judgment, with ultimate approval of materiality levels by Kathy. This consideration is influenced by the auditor's perception of the needs of financial statement users and will therefore include both qualitative and quantitative factors. At the end of the audit, we will review any known or likely misstatements and their effect on your financial statements, working with you to determine whether passing on known or likely misstatements will materially affect the financial statements.
- **Documentation of Our Understanding of UAS, ASI, Cal State LA Foundation, and USU and their Operations.** This is the ongoing process of gathering and analyzing information about the entities and their operations that continues throughout the audit by all members of the engagement team. We will perform risk assessment procedures to gain an understanding of each entity, such as regulatory and other external factors, the nature of the entity and its related operations, objectives and strategies and the related operating risks that may result in a material misstatement of the financial statements; measurement and review of the entities' financial performance; and laws and regulations. Our procedures include inquiries, analytical procedures, observation, and inspection.
- **Integration of Crowe's Technology Risk Consultant.** As management traditionally relies on various information technology systems to facilitate operations, your engagement team will integrate Jeff and Rich during the planning stage of the audit. Together as an engagement team, they will review the IT system overview and testing of the system for adherence to acceptable standards for certain key IT General Controls and IT applications controls. Example key IT General Controls are: system access, change control management, disaster recovery, job processing and user access provisioning. During Phase I, we will document any significant risks that are identified, as well as our planned response.
- **Client Participation Schedule.** Your engagement seniors will provide management a client participant schedule 1-2 months prior to interim and final fieldwork. The purpose of such schedule is to detail all of the client prepared schedules needed to conduct the audit. We perform such requests via our proprietary secure web-based repository, known as the CiRT® solution.

Phase II – Internal Controls Assessment and Testing

Approach to Gain and Document the Understanding of the Internal Control Structure

Expectations for improved corporate governance have caused governmental and not-for-profit organizations to rethink how they manage and control risk. Exempt organizations are reviewing the roles and responsibilities of internal audit and newly created internal controls functions to respond to the increased expectations of stakeholders. Crowe's public sector specialists have the breadth of knowledge and depth of experience necessary to effectively address compliance issues and implement new reporting and disclosure requirements for exempt organizations.

Crowe uses a risk-based approach to auditing that heavily emphasizes the understanding, corroborating and testing of internal controls to assess risk within the client organization. The primary areas we cover include entity-wide controls, IT controls and specific account or cycle level controls. Account level controls are the policies and procedures that address risks related to one particular type of transactions or accounts. Your proposed engagement seniors and manager will use personal interaction, flowcharting and web-based interactive tools to understand, gather, corroborate and test internal controls in order to assess risk.

Once we have gained an understanding of your controls at the account level, the engagement team will assess inherent risk and expected control risk by assertion. We will then corroborate the information we have collected and evaluate if controls were implemented as designed and that the design is appropriate. Corroboration must be accomplished even when testing of controls will not be performed. Corroboration includes observing evidence such as documented approvals and any other relevant information that may be retained to show that a control has been implemented as designed. Inquiry alone is not sufficient.

IT General and Application Controls

A key differentiator for Crowe is our knowledge, expertise, reputation and ability to design an effective and efficient audit approach to test IT controls and systems. Our proposed IT partner and senior manager have significant experience in auditing computerized systems typically used by governmental and not-for-profit entities and have performed enhanced services to meet client needs with internal penetration, external penetration, and detailed risk assessments.

Our planned audit approach incorporates developing an understanding of the financially significant systems utilized to account for the financial transactions of UAS, ASI, Cal State LA Foundation, and USU. Our proposed team includes professionals who are solely focused on understanding your information technology framework and ensure security and access controls are appropriate. A true teaming approach between our external auditors and our diverse team of IT risk and ERP professionals has been particularly effective in providing for the appropriate level of technology proficiency in planning and performing the audit and to gain reliance on your systems. Our clients have found this approach to be beneficial in providing feedback on best practices and areas for improvement. We believe that understanding, testing and gaining reliance on your IT controls will be a key to the UAS, ASI, Cal State LA Foundation, and USU engagement and an integral piece of this approach in order to be efficient and effective in our other audit procedures.

Phase III – Performance of Audit Procedures

Based on the risk assessment and interim fieldwork procedures completed in Phase I and II, we then design and perform substantive audit procedures to obtain the required audit evidence to form an opinion on the financial statements. We will test all material balances, but will put specific emphasis and effort into areas that we identify as higher risk. Various methods and procedures will be used to complete these tests. During this phase, the following procedures will be completed by proposed engagement seniors and other Crowe staff, with guidance and review by Art and Jennifer:

- Determining overall responses to assessed risk of material misstatement for the financial statements as a whole and at the opinion unit level;
- Designing further audit procedures to respond to those risks;
- Testing the operating effectiveness of controls;
- Performing substantive tests.

Based on our understanding and assessment of Entity-level controls, account-level controls, and any fraud risk factors identified, we develop audit procedures and programs clearly linked.

Designing Procedures - In designing procedures, we consider factors such as:

- The significance of the risk;
- The likelihood a material misstatement will occur;
- The characteristics of the class of transaction, account balance, or disclosure involved;
- The nature of the specific controls used and whether they are manual or automated;
- Whether we expect to obtain evidence to determine if controls are effective in preventing or detecting material misstatement.

Audit Focus Areas - UAS

We recognize that there are certain aspects of a university auxiliary audit, and specific to UAS, that may require attention. During planning, we will discuss possible areas that are unique or higher risk for UAS such as:

- **Grant Compliance, Procurement, and Contractual Agreements.** UAS expends funds under a number of different federal grants. We have experience auditing the types of major programs from which UAS receives awards. Risks may include unallowable expenditures, lack of appropriate subrecipient monitoring, noncompetitive procurements, collusion on bid amounts, kickbacks or bribes, contracts with related parties, significant changes in contract terms, and fictitious vendors. We will focus on testing grant contracts, including those subject to the Uniform Guidance as well as private non-federal grants, for compliance with grant terms and conditions, appropriate recognition of grant-related revenue, and allowability of related expenditures.
- **Capital Assets/CIP.** We understand that UAS is in the process of constructing the RongXiang Xu BioSpace building and incubator. Specific risks related to large construction projects such as this include appropriate classification and capitalization of capital assets, including expenses capitalized for current construction projects such as payroll and fringe benefits and construction-period interest, and proper application of any grant monies to the project.
- **Cash Restrictions.** We will test compliance with cash transfers in and out of internally and externally restricted accounts typically associated with debt and construction. This is especially critical when there is new construction taking place.
- **Payroll and Benefits.** These costs represent a significant portion of your operating expenses and is a budgetary line that is subject to fluctuation with managing overtime, sick days, and vacation. A large part of our testing is accomplished by testing the internal controls over all the payroll and human resource processes. We also look at postemployment benefit arrangements because they can have a significant financial impact on UAS.

- **Information Technology Systems.** An experienced IT audit specialist is assigned to work with the audit team to insure that the entire Crowe team has the appropriate resources to evaluate any systems that our clients may have – from complete vendor outsourced applications to internally developed systems.
- **Audit Approach to Compliance with Laws and Regulations.** The audit team will review significant contracts, grants, laws and regulations to determine which are material to the organizations and subjected to testing. We also understand that the California Department of Education report is required for the UAS Anna Bing Arnold Children’s Center and will compare and reconcile the information to the underlying records used to derive the information.

Below is an excerpt of the certain audit areas, based on the UAS statement balances as of June 30, 2018, and example financial statement caption assertions, potential internal control and substantive audit procedure approaches.

Example Key Audit Areas	2018 Balances (000s)	Inherent Risk Assertions*	Tests of Controls	Substantive Analytical Procedures	Substantive Tests of Details
Cash and Cash Equivalents	\$6,355,427	E&O			X
Restricted Cash and Cash Equivalents	\$3,542,472	E&O, A&C			X
Accounts Receivable, Net	\$8,718,108	E&O, A&C, R&O, V&A	X		X
Capital Assets	\$24,423,257	E&O, Compl, A&C, V&A		X	X
Other Postemployment Benefits – Deferred Outflows	\$1,548,767	E&O, Compl, Cut, A&C, R&O, V&A			X
Accounts Payable	\$1,159,449	E&O, Compl, Cut, R&O, V&A	X		X
Accrued Expenses	\$1,624,389	E&O, Compl, Cut, R&O, V&A	X		X
Unearned Revenue	\$4,341,983	E&O, Cut, A&C, R&O, V&A			X
Compensated absences	\$396,624	E&O, Compl, Cut, A&C, R&O, V&A		X	
Capital Lease Obligation	\$20,589,521	E&O, Compl, Cut, A&C, R&O, V&A			X
Postemployment Healthcare Benefits	\$3,182,692	E&O, Compl, Cut, A&C, R&O, V&A			X
Notes Payable	\$6,269,267	E&O, Compl, Cut, A&C, R&O, V&A			X

Example Key Audit Areas	2018 Balances (000s)	Inherent Risk Assertions*	Tests of Controls	Substantive Analytical Procedures	Substantive Tests of Details
Unamortized Gain on Refunding	\$638,157	E&O, Compl, Cut, A&C, R&O, V&A			X
Net Position	\$6,240,959	Compl, A&C, V&A,			X
Grants and Contracts	\$28,378,453	E&O, Compl, Cut, A&C	X		X
Revenue From Auxiliary Activities	\$5,070,430	E&O, Compl, Cut, A&C	X	X	
Campus Program Activities	\$2,877,127	E&O, Compl, Cut, A&C	X	X	
Lease Income	\$1,583,945	E&O, Compl, Cut, A&C		X	
Other Income	\$1,062,965	E&O, Compl, Cut, A&C		X	
Operating Expenses	\$33,378,951	E&O, Compl, Cut, A&C	X	X	X

***Abbreviations used:** E&O (Existence and Occurrence); Compl (Completeness); Cut (Cutoff); A&C (Accuracy and Classification); R&O (Rights and Obligations); V&A Valuation and Allocation)

Audit Focus Areas – Cal State LA Foundation

We recognize that there are certain aspects unique to the audit of University affiliated private Foundations that require attention during the audit. During planning, we will discuss possible areas that are unique or higher risk for Cal State LA Foundation such as:

- **Classification of Gifts and Contributions Received.** Cal State LA Foundation's primary revenue stream is private gifts and contributions. We understand that one of the greatest risks to a Foundation is proper classification of gifts received based on donor-intent. Also, often times the accounting for gifts differs between the accounting guidance and the timing in which advancement/development departments might count gifts, so precise application of the standards and inspection of underlying agreements is important, for both gifts and pledges received. In the same turn, the release and expenditures of purpose-restricted gifts for intended purposes is also a risk we will address through testing a sample of releases from restriction to determine that the expenditures were appropriate and in line with donor intent.
- **Calculation and Unitization of Endowment.** The tracking and computation of an organization's endowment can be complex and if computed improperly can result in material errors. We will obtain your calculation of the endowment unitization and the associated journal entries for the year, and will recalculate a sample of endowment funds for appropriate unitization. We will test a sample of additions to the endowment during the year as part of our procedures surrounding gifts/contributions received. We will also recalculate your allocation of investment earnings and the endowment spending rate in line with University policies and approved rates, and in accordance with applicable accounting guidance.
- **Pledges Receivable.** We will trace a sample of new promises to give received during the current fiscal year to underlying donor agreements. We will also vouch cash receipts for a sample of pledges receivable that were collected during the current year, for proper application of time-based restrictions being released. Finally, we will obtain your assessment of any uncollectible pledges receivable and net present value discounts, in order to assess proper valuation.

- **Releases of Net Assets.** We will test a sample of net assets released from restriction and agree to underlying support to determine that the amounts are spent in line with donor-intent. This will include expenditures for Scholarships and College Grants.
- **Payroll and Benefits.** These costs represent a significant portion of your operating expenses. A large part of our testing is accomplished by testing the internal controls over all the payroll and human resource processes. We also look at postemployment benefit arrangements because they can have a significant financial impact on UAS.

Below is an excerpt of the certain audit areas, based on the Cal State LA Foundation statement balances as of June 30, 2018, and example financial statement caption assertions, potential internal control and substantive audit procedure approaches.

Example Key Audit Areas	2018 Balances (000s)	Inherent Risk Assertions*	Tests of Controls	Substantive Analytical Procedures	Substantive Tests of Details
Cash and Cash Equivalents	\$6,674,881	E&O			X
Investments	\$46,822,986	E&O, A&C			X
Pledges Receivable	\$7,424,522	E&O, A&C, Compl, R&O, V&A			X
Net Assets	\$60,804,936	Compl, A&C, V&A,			X
Gifts and Contributions	\$3,754,059	E&O, Compl, Cut, A&C			X
Scholarships and Grants	\$3,830,428	E&O, Compl, Cut, A&C			X
Operating Expenses	\$896,677	E&O, Compl, Cut, A&C		X	X

***Abbreviations used:** E&O (Existence and Occurrence); Compl (Completeness); Cut (Cutoff); A&C (Accuracy and Classification); R&O (Rights and Obligations); V&A Valuation and Allocation)

Audit Focus Areas – ASI

Below is an excerpt of the certain audit areas, based on the ASI statement balances as of June 30, 2018, and example financial statement caption assertions, potential internal control and substantive audit procedure approaches.

Example Key Audit Areas	2018 Balances (000s)	Inherent Risk Assertions*	Tests of Controls	Substantive Analytical Procedures	Substantive Tests of Details
Cash and Investments	\$1,658,044	E&O, A&C			X
Accounts Receivable From Affiliates	\$89,881	E&O, A&C, R&O, V&A			X
Post-Retirement Benefit Obligation	\$263,344	E&O, Compl, Cut, A&C, R&O, V&A			X
Net Assets	\$1,426,109	Compl, A&C, V&A,			X

Example Key Audit Areas	2018 Balances (000s)	Inherent Risk Assertions*	Tests of Controls	Substantive Analytical Procedures	Substantive Tests of Details
Student Activity Fees	\$1,454,881	E&O, Compl, Cut, A&C			X
Operating Expenses	\$1,501,759	E&O, Compl, Cut, A&C		X	X

***Abbreviations used:** E&O (Existence and Occurrence); Compl (Completeness); Cut (Cutoff); A&C (Accuracy and Classification); R&O (Rights and Obligations); V&A Valuation and Allocation)

Audit Focus Areas – USU

Below is an excerpt of the certain audit areas, based on the USU statement balances as of June 30, 2018, and example financial statement caption assertions, potential internal control and substantive audit procedure approaches.

Example Key Audit Areas	2018 Balances (000s)	Inherent Risk Assertions*	Tests of Controls	Substantive Analytical Procedures	Substantive Tests of Details
Cash and Investments	\$4,175,840	E&O, A&C			X
Accounts Receivable From Affiliates	\$79,346	E&O, A&C, R&O, V&A			X
Post-Retirement Benefit Asset (Obligation)	\$455,094	E&O, Compl, Cut, A&C, R&O, V&A			X
Net Assets	\$4,473,009	Compl, A&C, V&A,			X
Student Fees	\$5,205,078	E&O, Compl, Cut, A&C			X
University Support	\$235,344	E&O, Compl, Cut, A&C			X
Student Programs	\$2,947,112	E&O, Compl, Cut, A&C			X
Operating Expenses	\$1,767,626	E&O, Compl, Cut, A&C		X	X

***Abbreviations used:** E&O (Existence and Occurrence); Compl (Completeness); Cut (Cutoff); A&C (Accuracy and Classification); R&O (Rights and Obligations); V&A Valuation and Allocation)

(3) Schedule

We have provided below a tentative schedule for performing key activities and tasks of the audit. We will work with each entity to tailor the schedule to mutually agreeable dates if we are appointed the auditor.

Description	Final Report	Weeks of:																	
		3/4	>	3/18	>	5/6	5/13	5/20	5/27	6/24	7/29	8/5	8/12	8/19	8/23	8/30	9/6	9/13	9/30
Annual Audit - UAS	September 13														D		FD	RI	
Single Audit - UAS	September 13														D		FD	RI	
Management Letter - UAS	September 13																FD	RI	
Annual Audit - UAS Anna Bing Arnold Children's Center	September 30															D		FD	RI
Single Audit - UAS Anna Bing Arnold Children's Center	September 30															D		FD	RI
Annual Audit - Cal State LA Foundation	September 13														D		FD	RI	
Management Letter - Cal State LA Foundation	September 13														D		FD	RI	
Annual Audit - ASI	September 13														D		FD	RI	
Management Letter - ASI	September 13														D		FD	RI	
Annual Audit - USU	September 13														D		FD	RI	
Management Letter - USU	September 13														D		FD	RI	
Required Communications/Attend Meetings																			
Coordination with External Agencies																			
Audit Status Meetings with Management																			
Communication of Findings and Audit Adjustments																			

As requested
As needed throughout engagement
Weekly during scheduled fieldwork and as needed throughout reporting phase
As identified throughout fieldwork and review phases

- Audit Planning** – review of prior year deliverables and Board and Committee minutes, predecessor auditor communications, entrance conference (2 hours) scheduled at management's convenience
- PBC Requests Sent**
- Proposed Fieldwork Dates (to be tailored to desired schedule upon appointment)**
- Reporting Dates** - D (Draft/Comments from Crowe), FD (Final Draft), RI (Report Issued)

Phase IV – Completion, Accumulation of Results, and Reporting

After completing audit procedures, the engagement team will perform certain procedures necessary to conclude the audit. These procedures include performing final analytical procedures, performing a subsequent events review, evaluating attorney letter responses, assisting in preparing financial statements, and obtaining representations from management. During this phase, the auditor also accumulates all known and likely uncorrected misstatements, other than those that are trivial, and considers the nature and amount of the misstatements in relation to the affected opinion unit. The objective of the evaluation of uncorrected misstatements is to determine whether the financial statements taken as a whole and those of each opinion unit are free of material misstatement.

Uncorrected misstatements will be communicated to those charged with governance at the conclusion of the audit. Also during this phase, the engagement team will evaluate identified control deficiencies and determine whether these deficiencies, individually or in combination, are significant deficiencies or material weaknesses based upon both quantitative and qualitative factors. The significance of a control deficiency depends on the potential for a misstatement, not on whether a misstatement actually has occurred. Any significant deficiencies or material weaknesses must be communicated in writing to those charged with governance.

The audit culminates in our report on your audited financial statements, which will include an opinion on the fair presentation of the basic financial statements as they conform to accounting principles generally accepted in the United States of America. For UAS, as determined by requirements of “Government Auditing Standards” issued by the comptroller general of the United States (the “Yellow Book”), we will also include a report on compliance of your internal control structure with applicable laws and regulations based on the auditors’ understanding of the control structure.

At the completion of the audit, we expect to submit draft reports to management. We reviewed the prior year reports provided along with the RFP and are prepared to submit similar audited draft reports to management at the completion of the audit. We understand that management prepares the initial drafts of each report, with our assistance to provide templates for any new requirements in advance. Our deliverables would also management letters, which will offer recommendations to improve internal controls, administrative efficiencies, and profitability; and a report on matters required by SAS 114, which includes a discussion of new accounting procedures implemented, proposed audit adjustments, significant audit estimates, and any additional applicable items.

Once the reports have been reviewed by management and are approved in final form, we will be available to meet with those charged with governance to review the reports and address questions. Auditing standards require the auditor’s report not be dated earlier than the date on which the auditor has obtained sufficient appropriate audit evidence to support the opinion.

Single Audit Approach

The Crowe audit team has experience with over 80 single audit clients in California and with several Federal and state cognizant agencies.

Your proposed engagement partner has trained over 1,000 California grant professionals on the new requirements of the Uniform Guidance. She is a frequent speaker for the National Grant Management Association and California Society of Municipal Finance Officers on this topic. Such trainings included both the administrative and cost principles as well as audit provisions of Subpart F. Currently, Crowe is the Chair of the Board of Directors for the National Grant Management Association and is a member of the AICPA Government Audit Quality Center focusing on Single Audit emerging issues. Members of our firm have conducted national AICPA webinars on the implementation of the Uniform Guidance. Crowe has also delivered a 5-part webinar series on the Uniform Guidance. Our goal is a smooth execution of our client's Single Audit through timely upfront education on emerging federal grant issues.

The following is a summary of our Single Audit approach:

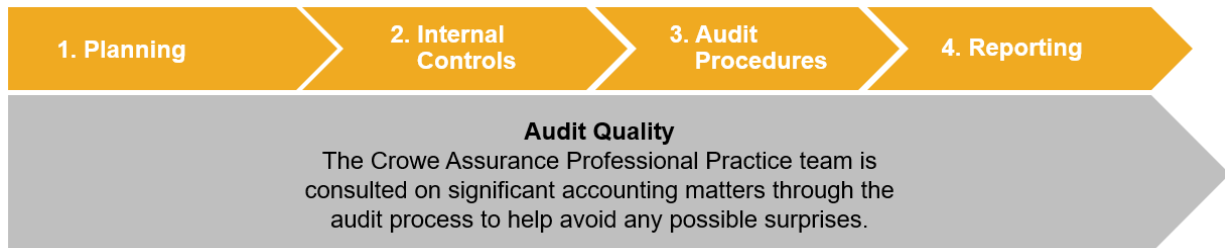
We will begin our Single Audit procedures and program specific grant procedures by developing a comprehensive understanding of laws and regulations that have a direct, material effect on the determination of amounts in your financial statements. This understanding will be based on:

- Identification of Federal/state award programs and total federal/state expenditures;
- Determination of major Federal award programs;
- Discussions with your staff;
- Review of Board minutes, prior audits, and grant and contractual agreements; and
- Review of the relevant Federal program requirements from the "Compliance Supplement" issued by the Office of Management and Budget and the "Catalog of Federal Domestic Assistance."

Crowe's Single Audit approach is based on guidance available in the Uniform Guidance and Government Auditing Standards issued by the Comptroller General of the United States. When testing your major federal/state programs, we follow the suggested audit procedures included in the Compliance Supplement. For Federal or state programs for which guidance is not available, we will establish programs using applicable grant agreements and federal regulations.

Key Elements of the Single Audit Process

Crowe's audit team will work closely with your management team through the entire Single Audit process, which includes the following elements:



Phase I – Planning

- Gain an understanding of your compliance environment related to your major Federal/state grants;
- Review your grant life-cycle process for Federal and other grant programs;
- Assess risk related to Federal programs;
- Conduct a brainstorming session in accordance with SAS 99, including Federal grant program administration;
- Obtain the preliminary Schedule of Expenditures of Federal Awards (SEFA);
- Review your prior year SEFA and Schedule of Findings and Questioned Costs;
- Prepare an analysis of Federal programs according to type (i.e. Type A or Type B Program);
- Determine major programs by type based on the audit risk analysis in the assessment performed; and
- Determine the reliance to be placed on your systems of internal control for Federal and other grant programs through documentation and control testing.

Phase II – Internal Controls over Compliance

- Review audit programs from the Compliance Supplement to determine adequacy;
- Review and document the requirements of the programs to be tested;
- Revise programs as necessary based on program requirements;
- Interview staff, management, counsel, and officials based on planning;
- Determine sample selection methodology and the types of procedures that will be performed;
- Select the transactions and documents for testing;
- Perform the internal control over compliance procedures as documented in the audit programs;
- Document testing results; and
- Evaluate the results of testing and determine areas that require further examination.

Phase III – Compliance Audit Procedures

- Perform the procedures for direct and material requirements as documented in audit programs;
- Document testing results;
- Evaluate the results of testing and determine areas that require further examination;

- Establish the review protocol for evaluation of results;
- Review potential findings and questioned costs and communicate with your management;
- Review compliance requirements and compare expected results to the exceptions noted to evaluate materiality; and
- Draft a summary of the testing results.

Phase IV - Reporting

- Review Federal, state, and other grant reporting requirements;
- Determine which internal control findings are significant deficiencies or material weaknesses;
- Prepare findings and draft the auditor’s reports;
- Review draft reports with your management; and
- Evaluate management feedback and proposed corrective action, make revisions as necessary, and finalize the reports.

Tax Technology – C-TRAC®

The Only IRS-Approved Software Developed by Tax-Exempt Specialists


If yours is like most tax-exempt organizations, you face significant information-gathering, project management, and educational efforts related to tax compliance requirements. Crowe LLP tax-exempt specialists understand these challenges and have developed the C-TRAC solution to help you accurately complete forms and schedules in less time, without straining internal resources.

C-TRAC supports the 990, 990-T, 990-EZ, 990-PF, all extensions, and remains the only not-for-profit tax software approved by the IRS. Since the launch of our first version of the C-TRAC solution in 2008, we continue to invest in it by listening closely to our users. Here are some features of the system:


Links theory with practice – The C-TRAC webpage (www.crowe.com/ctrac) contains links to our webinars and publications that we distribute and present to our clients throughout the year.

Related Insights


PUBLICATIONS
ON-DEMAND WEBINARS
VIDEOS




[C-TRAC Overview Brochure](#)



[Tax Technology Solutions Overview](#)



[PSS Summer Calendar 2016](#)



[Trusted Advice From Experienced Private Foundation Specialists Using One-of-a-Kind Technology](#)

Offers a user-friendly process – Crowe’s dynamic review platform makes the 990 as easy as possible by providing a logical flow of input. There is no need to search for where to enter data in C-TRAC. The input is designed to mimic the form. Instructions are embedded with each question. Prior year form data also rolls forward each year to the specific questions in C-TRAC. Clients have the ability to review and edit rather than recreate each year.

Form 990

Core Form Part III Program Service Accomplishments

[← Back to Overview](#)

To avoid data loss, please save frequently. To save, click the Save button in the hovering toolbar. DO NOT close your browser without first saving your data.

Question	2014 Data	2015 Data	Tools
Briefly describe the organization's mission: Form 990, Part III, Line 1	The mission of Crowe Horwath Foundation is to... to include The mission of Crowe Horwath Foundation is to...	The mission of Crowe Horwath Foundation is to... to include The mission of Crowe Horwath Foundation is to...ef <small>Invalid child element - means there is 490 / 1000</small>	
Suppress continuation of narrative on additional schedule:		<input type="checkbox"/>	
Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Form 990, Part III, Line 2	Yes	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	
Describe these new services:	For demo purposes	For demo purposes	

17 / 9000

Complete set of diagnostic tools – C-TRAC contains both Crowe generated diagnostics and the full set of IRS diagnostics to make sure that your return is both complete and accurate.

Diagnostics		E-File Validation					
ACTIVE DIAGNOSTICS							
Active Diagnostics		Cleared Diagnostics		Save and Refresh		Export to PDF	
Clear	Severity	Category	Form Section	Diagnostic Message			
<input type="checkbox"/>		Data Mismatch	Part III - Program Service Accomplishments	Total program service revenue reported on Form 990, Part III, Line 4a-d should equal total program revenue reported on Form 990, Part VIII, Line 12, Column (B).			
<input type="checkbox"/>		Data Mismatch	Part III - Program Service	Total grant expenses reported on Form 990, Part III, Line 4a-d should equal the total grant expense reported on Form 990, Part IX, Line 1, 2, and 3.			

Streamlines conflicts of interest process – Clients use the Conflict of Interest module to automatically distribute and organize their conflicts of interest responses. The tool automatically compiles reports listing all responses to the questionnaires and sorts out conflicted responses. It also manages the communication and distribution process from start to finish electronically so there is no fear of losing data or communication records.

Manage compensation enterprise-wide – C-TRAC’s Master Compensation Module makes reporting compensation across your organization simple and easy by creating one location for input and review of compensation data. The system will push out the data to the appropriate returns and determine related versus filing organization compensation and hours automatically based on input.

Organization: Crowe Horwath LLP
 Tax Year: 2015
 Is there a group return included in this family of organizations? Yes No

Current | Former | Form 990 Reporting | Other Non-C-TRAC Entities | Related Organizations | Total Individuals per Entry | Variances

Add Person | Import From Excel | Clear List | Export To Excel | Search by Individual | Search by Entry | Search | Clear Search

Name	# of organizations				
Doe, Jane	1		X		
Johnson, Matt	2		X		
Kocaj, Brittney	3		X		

Organization	Title	Average Hours Per Week	D	T	O	K	E	DNR	Reportable Compensation paid by organization	Other Compensation paid by organization	Reportable Compensation paid by unrelated organization	Other Compensation paid by unrelated organization
ABC Corporation	Regular employee		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5,000	0	0	0
Crowe Horwath Hospice	Exec Director		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	0
Crowe Horwath LLP	Regular employee		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	100,000	0	0	0
Sum:									105,000	0	0	0

View the Form 990 throughout data-gathering process – Working with C-TRAC makes creating your Form 990 easy and simple. As you input data into the system, the form is being generated in real-time. You can view the entire PDF or the section you are working on to check your work, review, and provide deliverables to your stakeholders.

Form 990 Return of Organization Exempt From Income Tax
 OMB No. 1545-0047
2015
 Open to Public Inspection

Department of the Treasury
 Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
 Do not enter social security numbers on this form as it may be made public.
 Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2015 calendar year, or tax year beginning 01/01, 2015, and ending 12/31, 20 15

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization: CROWE HORWATH FOUNDATION, INC.
 Doing business as
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
 70 W. MADISON
 City or town, state or province, country, and ZIP or foreign postal code
 CHICAGO, IL 60602

D Employer identification number: 12-3456789

E Telephone number: (312) 899-7000

F Name and address of principal officer: GERALYN HURD, CEO
 70 W. MADISON, CHICAGO, IN 60602

G Gross receipts \$: 50,650

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: WWW.CHF.ORG

K Form of organization: Corporation Trust Association Other

L Year of formation: 1984

M State of legal domicile: IL

Part I Summary

1 Briefly describe the organization’s mission or most significant activities: THE MISSION OF CROWE HORWATH FOUNDATION IS TO PROVIDE FREE TAX PREPARATION SERVICES TO BUSINESSES AND INDIVIDUALS IN NEED. WE ARE THE ONLY ORGANIZATION TO PROVIDE SUCH SERVICES.

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a) **3** 25

4 Number of independent voting members of the governing body (Part VI, line 1b) **4** 24

5 Total number of individuals employed in calendar year 2015 (Part V, line 2a) **5** 150

6 Total number of volunteers (estimate if necessary) **6** 3,100

7a Total unrelated business revenue from Part VIII, column (C), line 12 **7a** 300

b Net unrelated business taxable income from Form 990-T, line 34 **7b** 1,638,695

Prior Year Current Year

State Module – The state module contains all of the taxable forms and extensions required for a tax-exempt organization to report unrelated business income. It begins with the state data grid to quickly pull in, analyze data from across the system, and give you instant ability to determine filing status and tax positions.

Note: Data entered on this page will automatically be saved.

Tax year to import data from: Import 990-T, Line 34 Import AIM Data Finalize Extension Grid

Name	Alabama	Alaska	Arizona	Arkansas	Total
Federal Taxable Income	\$ 583,102	\$ 583,102	\$ 583,102	\$ 583,102	
State Modifications					
ST01 – Federal NOL Deduction	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 26,500,000
ST02 – State Income Tax Deduction	\$ -	\$ -	\$ -	\$ -	\$ -
Total Modifications	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 26,500,000
Adjusted Federal Income	\$ 1,083,102	\$ 1,083,102	\$ 1,083,102	\$ 1,083,102	\$ 57,404,406
State Taxable Income Selection					
State Taxable Income Selection	Both	Apportionment	Both	Apportionment	
Apportionment Factor	0.250000	0.000000	0.000000	0.000000	0.250000
Apportioned State Taxable Income	\$ 270,776	\$ -	\$ -	\$ -	\$ 270,776
State Taxable Income (from AIM)	\$ 33,551	\$ 5,000	\$ (Set Value)	\$ 250	\$ 240,905
Additional State Modifications	\$ 500,000	\$ 730,000	\$ 600,000	\$ 500,050	\$ 853,050
Loss Carry Forward	\$ (Set Value)	\$ (180,000)	\$ (100,000)	\$ (Set Value)	\$ (303,000)
State Taxable Income	\$ 304,327	\$ (130,000)	\$ (100,000)	\$ -	\$ 202,431

For more information about C-TRAC, please go to www.crowe.com/ctrac.

Technology and Innovation

Our firm’s success is built on quality, innovation, and specialization. Nourishing a culture of innovation allows us to constantly advance our tools and processes to provide exceptional service delivery.

It also contributes to our ability to attract and retain some of the best and brightest minds in our profession. Crowe provides the deep industry and functional specialization of an accounting and consulting firm, coupled with the ability to drive continuous improvement through technology.



In fact, we are one of the first large accounting and consulting firms to focus an entire business unit on data science research. This dedicated team of software engineers and data scientists combines the firm’s data analytics functions, infrastructure and governance, and machine learning capabilities to build software powered by artificial intelligence.

While many firms have established data analytics groups, it is rare to see these capabilities integrated into software products outside of very large tech companies. The technology we use is highly systematized and scalable and enables us to place more focus on higher-risk areas.

Value Added Services

Crowe can offer several value adds within the overall audit process and client relationship. We have highlighted some data analytics and cybersecurity services that we have incorporated into our work with public and not-for-profit entities. We are also exploring benchmarking tools to address common efficiency and effectiveness questions asked by our client's finance and accounting teams all the time.

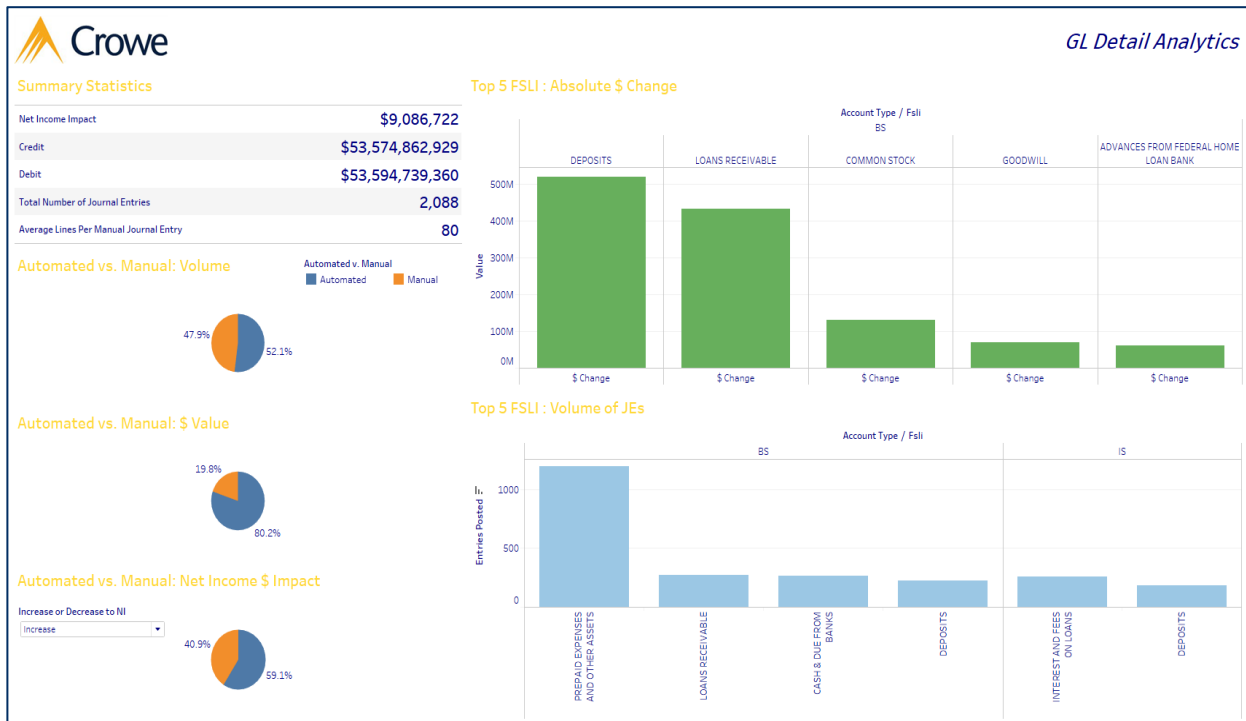
Data Analytics

Crowe's data analytics services adds value to the client engagements through a variety of ways. Crowe's Audit Analytics expertise includes risk based trend analysis, outlier analysis, interactive dashboards, business intelligence reporting, and statistical modeling. We have also developed Data Analytics and Visualization dashboards to identify risks in specific audit areas. Two examples of how our audit teams are currently utilizing data analytics are in the use of Journal Entry and Revenue data.

Journal Entries

Issue: Engagement teams spend a significant amount of time testing journal entry data in order to detect potential fraudulent transactions that may indicate financial performance manipulation by company management.

Solution: The Crowe Audit Analytics team built a visualization tool to help identify risks of material misstatement embedded in the journal entry data. By visualizing data, we can identify patterns and outliers to help prioritize efforts for our auditors to assess risk. Journal entry analytics helps the team identify and highlight risks, leading to productive planning meetings. Identifying analytic-driven insights allows us to have better client conversations.



Revenue

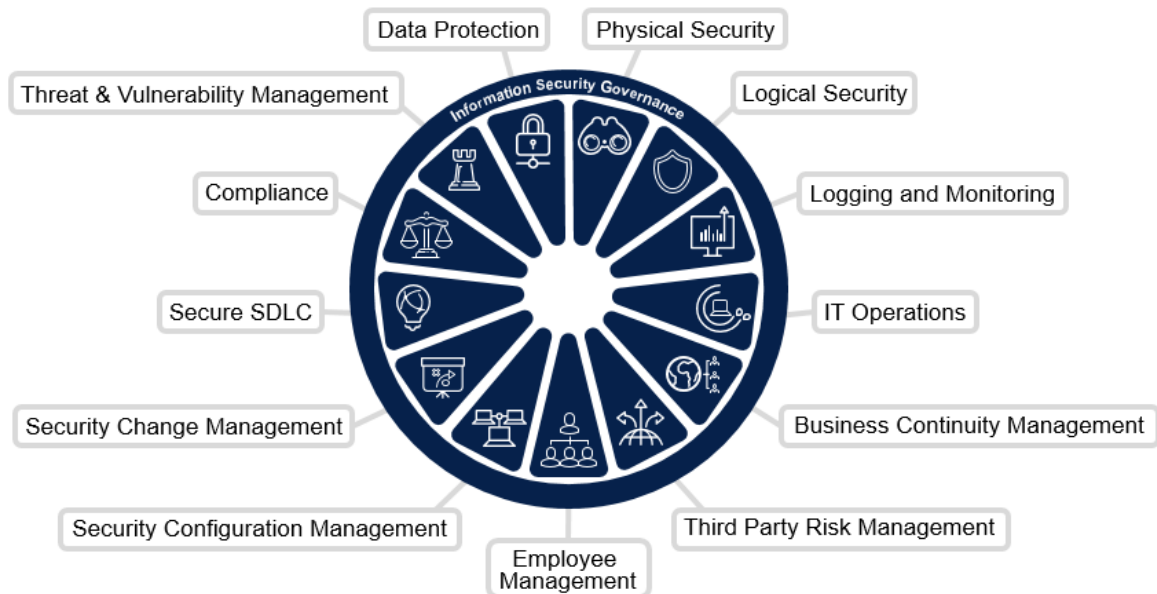
Issue: Engagement team spends a large amount of effort selecting revenue transaction samples to test in order to examine revenue transactions throughout the year. The samples selected typically represent a small percentage of the total population and rarely identifies potential risks within the revenue transaction population.

Solution: The Crowe Audit Analytics team built a visualization tool showing revenue over time, which allows us to locate outlier transactions including those in incorrect time periods, or those of unusual quantities or amounts. We are also able to unlock insights regarding customer-purchasing trends. Revenue analytics helps the engagement team to understand transaction tendencies of a company. It also provides analysis of period end transactions. Risks can be more easily identified and trend analysis often delivers interesting insights to help clients.



Cybersecurity Maturity Assessment and Penetration Testing

The goal of these types of engagements is to provide the entity with a holistic understanding of the inherent cybersecurity risk of the organization, current state of the organization’s cybersecurity program, and a roadmap for remediation of key risks. In pursuit of this goal, Crowe will perform a Cybersecurity Maturity Assessment, which will evaluate the organization’s security posture against a set of Cybersecurity domains (e.g. Governance, Logical Security, and Business Continuity). This assessment will leverage Crowe’s Integrated Cybersecurity Framework (see below) which is mapped to authoritative Cybersecurity standards such as NIST and ISO. Add-on services like internal and external penetration testing and social engineering can add additional value to the risk assessment to provide more specific risk areas.



Your Client Service Team

2. *Bibliographies, including experience of the principals who will be assigned to the engagement.*

The ultimate success of our relationship with the auxiliary organizations of CSU LA involves the commitment of an accomplished team of experienced professionals.

Your proposed engagement team is well-qualified to provide auxiliary organization with quality, timely, and personalized service. Kathy Lai will lead the team and will manage the coordination of all services for the auxiliary organizations.

Deep Industry and Functional Expertise

Below is an overview of how we plan to structure the engagement teams:

Key Personnel	Location	Project Role	Years of Experience
Kathy Lai	Costa Mesa, CA	Lead Engagement Partner	20
Jeff Jensen	Sacramento, CA	Higher Education Industry Partner	18
Mike Song	Artesia, CA	Partner	20
Jeffrey Sacks	Los Angeles, CA	IT Partner	20
Rich Perilloux	Los Angeles, CA	IT Senior Manager	17
<u>UAS and Anna Bing Arnold Children’s Center Financial and Single Audit</u>			
Art Ngo	Sacramento, CA	Senior Manager	10
Joseph Widjaja	Costa Mesa, CA	Manager	7
Scott Bradach	Costa Mesa, CA	Senior Staff	5
<u>Cal State LA Foundation, ASI, and USU Financial Audits</u>			
Jennifer Richards	Los Angeles, CA	Senior Manager	14
Joseph Widjaja	Costa Mesa, CA	Manager	7
Scott Bradach	Costa Mesa, CA	Senior Staff	5
Colleen Goeser	Sacramento, CA	Senior Staff	4
<u>Tax Compliance</u>			
Nicole Bencik	Chicago, IL	Partner - National Tax Lead	18
Diane Brown	San Francisco, CA	Senior Manager - Tax	7

Resumes

We have provided resumes of the individuals listed above in **Appendix A**. The resumes outline education, years of experience, licenses and certifications, professional affiliations, and other relevant experience.

Exceptional Client Experience



We assign senior managers and partners to principal areas of the audit and align expertise with your organizational structure. Through frequent communication with your organization, we can develop a deep understanding of your needs and expectations – and can respond appropriately.

We assign a single contact point to oversee consistency in the services provided and to manage information received from multiple teams in a cohesive manner. This streamlines communications and provides you with a single source of accountability when questions arise.

Ultimately, we want to effectively work together to achieve results. Our goal is open, timely communication and swift issue

resolution. Routine phone calls, emails, faxes, and report preparation and delivery are considered part of our service and are provided at no additional cost to you.

Staff Continuity

In assigning staff to engagements, we place high importance on maintaining continuity of staff from one year to the next. This is important from a client service as well as an engagement efficiency perspective. Naturally, at times it does become necessary to replace a member of the engagement team with someone of comparable skills and experience.

Estimated Hours

3. *Estimated hours to complete the engagement by level of staff.*

Estimated hours, including both audit and tax work, are as follows:

Personnel by Level	UAS, including Children's Center	Cal State LA Foundation	ASI	USU	Total Estimated Hours
Partner/Principal/Director	10	16	4	2	34
Senior Manager	35	9	4	4	52
Manager	80	40	14	14	148
Senior Staff	200	80	45	45	370
Staff	180	100	55	60	395
Total	505	245	122	127	999

We are committed to working with you to make sure the scope of our proposal is appropriate. While we experience cost increases throughout our relationships with our clients, we make every effort to structure an engagement fee arrangement which will meet your needs while providing us with sufficient resources to perform the expected work.

References

4. A reference list of clients for whom similar services have recently been rendered.

Quality work based on strong functional competency and deep expertise is the core element of creating value for our clients. Quality service involves prompt and efficient service delivery and effective communication with clients.

Crowe has delivered value to our clients for more than 70 years by listening to their needs and developing a comprehensive understanding of their businesses and would appreciate the opportunity to do the same for you.

Listed below are give of our clients that we believe have profiles similar to that of the auxiliary organizations.

Sierra Community College

Linda Fisher Director of Finance	916.660.7605 lfisher@sierracollege.edu
---	--

Yosemite Community College

Sarah Schrader Controller	209.575.6527 schraders@yosemite.edu
--	--

Mills College

Maria Cammarata VP of Finance and Administration	510-430-3322 mcammarata@mills.edu
---	--

Hartnell Community College

Suzie Payne Controller	831-755-6752 spayne@hartnell.edu
---	--

Chabot-Las Positas Community College

Barbara Yesnosky Director, Business Services	925-485-5231 byenosky@clpccd.org
---	--

Fees

5. *The proposal should have an itemization of fees, including the preparation of annual tax returns, for each of the auxiliary organizations. It should also outline the fee or the amount of discount allowed if all four auxiliary organizations agree on contracting with the same audit firm.*

Our goal in setting fees is simple: to provide long-term, cost-effective pricing for our clients. We are confident that we can work together to achieve an optimized plan for audit services.

Fee Summary

Below is the proposed fee summary assuming that CSU LA selects Crowe for all of the below work:

Services	2019	2020	2021	2022	2023
Audit services:					
Cal State L.A. University Auxiliary Services, Inc.	48,000	50,400	52,900	55,500	58,300
Associated Students of California State University, Los Angeles, Inc.	10,000	10,500	11,000	11,600	12,200
California State University, Los Angeles Foundation	20,000	21,000	22,100	23,200	24,000
University-Student Union, Inc.	10,000	10,500	11,000	11,600	12,200
Tax services:					
Associated Students of California State University, Los Angeles, Inc. (ASI) – Form 990, CA Form 199, CA Form 109	2,250	2,400	2,500	2,500	2,700
California State University, Los Angeles Foundation – Form 990, CA Form 199, CA Form 109	5,750	6,000	6,300	6,600	6,900
University-Student Union, Inc. – Form 990, CA Form 199, CA Form 109	2,750	2,900	3,000	3,200	3,400

Fee Assumptions

- **NO ADDITIONAL CHARGE:** Routine telephone calls are considered part of the basic services.
- **NO ADDITIONAL CHARGE:** for access to our thought leadership e-communications, webinars and literature.
- **NO ADDITIONAL CHARGE:** for use of our secure information-sharing tool (CiRT) to gather and track audit requests or for additional data analytics tools that we incorporate into our audits.
- We will not surprise you with additional fees that have not been agreed to by all parties in advance. If a question results in significant research or additional work or if we are requested to perform a consulting project, such effort is billed separately. We will provide you with an estimate of fees for such services and obtain management approval before proceeding.
- Fees include professional time for work associated with fieldwork, on-site and off-site performance and documentation of procedures, preparation of written drafts and final reports, and presentation of results at finance and management committee meetings.

- Our fee estimate assumes a risk-based approach to frequency and scope based on our experience with similar organizations. If we need to assess most areas of the organization without rotating scope each year then we likely need to re-evaluate our planned scope and related pricing.
- Crowe anticipates providing work papers for examiner/other third party review at least annually.
- Significant changes in organizational status, operations, or processes not directly associated with asset growth could have a material impact on required engagement coverage. Balance sheet growth is expected, but material change, such as new lines of business, is not anticipated.
- No significant changes in regulatory or client expectations or actions are expected. Should significant change occur, Crowe will assess the impact on our services and fees. All fee adjustments will require approval by all parties in advance.
- Our policy is to bill for reasonable actual out-of-pocket expenses incurred. Out-of-pocket expenses are not included in the estimate and will be billed separately with a cap of 15 percent of total fees.

Below is the proposed fee summary if CSU LA elects to appoint Crowe for only portions of the work. Fees are below on an a la carte basis.

Services	2019	2020	2021	2022	2023
Audit services:					
Cal State L.A. University Auxiliary Services, Inc.	57,600	60,500	63,500	66,700	70,000
Associated Students of California State University, Los Angeles, Inc.	12,000	12,600	13,200	13,900	14,600
California State University, Los Angeles Foundation	24,000	25,200	26,500	27,800	29,200
University-Student Union, Inc.	12,000	12,600	13,200	13,900	14,600
Tax services:					
Associated Students of California State University, Los Angeles, Inc. (ASI) – Form 990, CA Form 199, CA Form 109	2,700	2,800	2,900	3,000	3,200
California State University, Los Angeles Foundation – Form 990, CA Form 199, CA Form 109	6,900	7,200	7,600	8,000	8,400
University-Student Union, Inc. – Form 990, CA Form 199, CA Form 109	3,300	3,500	3,700	3,900	4,100

We ask clients to pay invoices via check, ACH, or wire transfer. Crowe invoices in equal quarterly installments. Our contract with you clarifies that, should a termination occur, you and we would determine any appropriate adjustments to actual fees paid as needed.

We reserve the right to negotiate contract terms with CSU LA should we be appointed.

Fees for Additional Services

Professional fees for special projects outside of the agreed-upon scope will be determined based on project factors, such as type of project, subject matter experience required, scope, and resource requirements. Prior to commencing additional services, we will obtain your approval and agreement on the scoping and pricing.

Timeline

6. *The approximate date the audit will begin, including preliminary fieldwork, and end.*

Please see the proposed timeline in Section 3 of this proposal.

Attachment A

7. Completion of the required schedules in Attachment A.

1. Indicate below the number of audit engagements completed by the proposed accounting firm by type and industry in the previous year.

Engagement Type	Public Education	Other Government	Other Not-For-Profit	Total
A-133 (Uniform Guidance) Audit Engagements*	76	36	76	180
GASB Audit Engagements	76	101	-	177
FASB Audit Engagements	-	-	267	267
Other Audit Engagements	-	-	-	-
Total	76	101	267	444

***note that the UG engagements are all GASB or FASB so they are not added to the totals above so as to avoid double counting.**

Minimum Experience and Proficiency

2. Experience and Proficiency in Auditing both GASB and FASB 501(c)3 Not-for-Profit Organizations, Government, and Public Education Institutions

With over 440 audit clients, Crowe’s public sector practice includes a well-rounded balance between public education, government and not-for-profit clients. Given our client portfolio, we are experts in auditing both GASB and FASB organizations. As mentioned previously, as a testament to our proficiency in this area, Crowe has been selected amongst 400,000+ CPA’s to serve on both the AICPA State and Local Government Expert Panel and the AICPA Not-for-Profit Expert Panel. Participation in this prestigious panel of experts is an investment that we believe directly benefit our clients in enhancing audit quality and complete and accurate financial reporting. We follow emerging audit and accounting standards from inception to implementation so that we can help our clients navigate the increasingly complex financial accounting and reporting challenges.

Crowe is privileged to work with over 75 education clients ranging from school districts (GASB entities), community college districts and related auxiliary organizations (GASB - primary government and GASB/FASB - component units), and private and public universities. We audit all types of governments subject to GASB, including over 100 governments in addition to our GASB education clients. Such other governments include large cities, towns, villages, counties, state departments, utilities, transportation entities, etc. We serve as liaisons to the GASB often when complex accounting standards are being formed, frequently called upon for our expertise in government. In fact, we have a GASB fellow currently serving in Norwalk with the GASB because of our proficiency in auditing governments.

We are also privileged to work with a wide variety of not-for-profit organizations, including several foundations. We have made a long-term investment in developing our not-for-profit client business. In fact, we have more than 170 professionals who devote their efforts to serving more than 600 tax-exempt organizations. This commitment to specialization allows us to develop and retain personnel who are very familiar with the not-for-profit environment, work with diverse organizational and governance structures, and participate in understanding, developing and implementing best practices.

The not-for-profit sector is one of the fastest growing areas in the United States economy. Accordingly, Crowe has selected it as one of the main areas for long-term investment. Our professionals are passionately interested in our not-for-profit clients and are focused on providing outstanding service. This approach and commitment benefits our clients, our business, and the community as a whole.

Our commitment is further demonstrated by:

- Adding 10 new partners serving not-for-profit organizations over the past 7 years;
- Providing more than 5,000 annual hours of professional education to our clients and community;
- Presenting thought leadership at national and local conferences on critical issues;
- Compensating Crowe partners based upon an “equal” sharing model - all 300+ Crowe partners are fully vested in the success of our public sector practice and their various skills can be brought to the table when needed;
- Hiring professionals who are “mission minded” to work in our not-for-profit practice; and
- Retaining professionals who have fully dedicated their careers to exclusively serving not-for-profit organizations.

We actively work with both management and board members, allowing us to build consensus relative to the sensitive and complex issues that may face your organization. As a result, we are well positioned to keep you informed about significant accounting and tax issues as well as explain how these developments may influence management decisions and overall operations.

For a listing of our higher education clients, please see **Appendix D**

Serving not-for-profit organizations around the country, our client base is diverse. A select list of clients is provided below.

Firmwide Not-for-Profit Clients – Representative Listing	
<ul style="list-style-type: none"> • Abbott Fund and AbbVie Foundation • American College of Chest Physicians • American Hospital Association • Art Institute of Chicago • ATP Tour • Big Brothers Big Sisters of America • Big Shoulders Fund • California Waterfowl Association • Evangelical Lutheran Church in America • Fermi Research Alliance • Guide Dogs for the Blind • Indianapolis Children’s Museum • The James Irvine Foundation • The John D. and Catherine T. MacArthur Foundation • Kimbell Art Museum • Lumina Foundation for Education 	<ul style="list-style-type: none"> • Lyric Opera of Chicago • MacArthur Foundation • Moody Bible Institute of Chicago • The National Association of REALTORS® • Northwestern University • Oregon Community Foundation • Public Health Institute • Purdue Research Foundation • Save the Children • Society of Petroleum Engineers • The International Association of Lions Clubs • USA Track & Field • United States Equestrian Federation • YMCA of the USA • W.K. Kellogg Foundation and Trust • Women’s Foundation of California

A. List 10 not-for-profit, government, or public education clients that are currently audited by the proposed audit firm, including at least 5 GASB clients.

	Client Name	Client Website	Phone Number	Industry	Type of Organization (Foundation, Union, etc.)	Reporting Standards (enter GASB or FASB)
1	Sierra College	www.sierracollege.edu	(916) 624-3333	Community College	College, Single Audit, Foundation	GASB
2	Chabot College	www.chabotcollege.edu	(510) 723-6600	Community College	College, Single Audit	GASB
3	Hartnell College	www.hartnell.edu	(831) 755-6700	Community College	College, Single Audit, Foundation	GASB
4	Yosemite Community College District	www.yosemite.edu	(209) 575-6550	Community College District	College, Single Audit, Foundation	GASB
5	San Diego Unified School district	www.sandiegounified.org	(619) 725-8000	K-12	Public School District	GASB
6	Mills College	www.mills.edu	(510) 430-2255	Private College	College, Single Audit	FASB
7	Goodwill of Southern California	www.goodwillsocal.org	(888) 446-6394	Social Services	501(c) 3, Single Audit	FASB
8	The James Irvine Foundation	www.irvine.org	(213) 236-055	Private Foundation	Foundation	FASB
9	California Dental Association	www.cda.org	(800) 232-7645	Membership Association	501(c) 3, Private Foundation	FASB
10	Los Angeles County Metropolitan Transportation Authority	www.metro.net	(213) 922-6000	Transit Agency	Governmental	GASB

3. Experience and Proficiency in Performing OMB Circular A-133 Single Audits (Not Applicable if the Auxiliary Organization Receives Total Annual Federal Grants less than \$500,000)

Single audits. We have worked with more than 200 single audit clients (over \$6 billion per year) and several cognizant federal agencies. We understand the provisions of the Single Audit Act and Uniform Guidance. In the process, we've gained a comprehensive understanding of laws and regulations that directly affect your governmental agency.

We have had audits reviewed by Federal Inspector General Offices as a part of desk and field reviews. All single audits performed are submitted to the Federal Audit Clearinghouse for distribution to the appropriate federal agency. Our single audit reports are regularly accepted by those federal agencies.

We have performed single audits of federal funds from the following Federal agencies: * U.S. Department of Education * U.S. Department of Transportation * Federal Highway Administration * Federal Transit Administration * Railroad Administration * National Traffic Safety Administration * U.S. Environment Protection Agency * U.S. Department of Agriculture * Federal Emergency Management Agency * U.S. Department of the Interior * U.S. Department of Justice * U.S. Department of Health & Human Services * U.S. Department of Labor * U.S. Department of Homeland Security

Additionally, the U.S. Department of Transportation’s Office of the Inspector General, U.S. Department of Education’s Office of the Inspector General and the U.S. Federal Emergency Management Agency’s Inspector General have performed field reviews of our workpapers. All reviews performed resulted in the acceptance of the work performed.

A. List 5 clients audited according to OMB Circular A-133 Single Audit Act in the last 3 years and indicate the type of grants audited (financial aid, Research & Development, ARRA, etc.)

	Client Name	Client Website	Phone Number	Industry	Type of Grants	Office Location that Performs the Audit
1	Sierra College	www.sierracollege.edu	(916) 624-3333	Community College	Student Financial Aid,	Sacramento, CA
2	Chabot College	www.chabotcollege.edu	(510) 723-6600	Community College	Student Financial Aid; Early Childhood Mentor Program; TRIO; Title V Program	Sacramento, CA
3	Hartnell College	www.hartnell.edu	(831) 755-6700	Community College	Student Financial Aid; Foster Care Programs	Sacramento, CA
4	Yosemite Community College District	www.yosemite.edu	(209) 575-6550	Community College District	Student Financial Aid,; Higher Education; TRIO	Sacramento, CA
5	Mills College	www.mills.edu	(510) 430-2255	Private College	Student Financial Aid; TRIO; R&D	Sacramento and Los Angeles, CA

Governmental Auditing Standards (GAS) Compliance

4. Engagement Team Members’ Competence and Continuing Education: All financial statement audits of CSU recognized auxiliary organizations are required to be performed in accordance with GAS. According to GAS 3.46, auditors responsible for planning, directing, conducting, or reporting on government audits should complete at least 80 hours of Continuing Professional Education (CPE) every 2 years and a minimum of 20 hours each year. Twenty-four of the 80 hours of CPE must be related to government auditing.

A. For each of the proposed engagement team members, list below whether they are CPAs and also whether each has completed the GAS required continuing education requirements (24 hours of government, 80 hours of qualifying CPE). (CPE requirements are to be met prior to signing an engagement letter).

Name of Engagement Team Member	Job Title	Office Location of Audit Firm	Phone Number	CPA (Yes/No)	GAS CPE (Yes/No)
Kathy Lai	Partner	Costa Mesa, CA	(714) 668-1234	Yes	Yes
Jeff Jensen	Partner	Sacramento, CA	(916) 441-1000	Yes	Yes
Jeffrey Sacks	Partner, IT audit	Los Angeles, CA	(818) 501-5200	No – CISA	Yes
Mike Song	Partner	Artesia, CA	(562) 865-2727	Yes	Yes
Rich Periloux	Sr. Manager	Los Angeles, CA	(818) 501-5200	No – CISA	Yes
Art Ngo	Sr. Manager	Sacramento, CA	(916) 441-1000	Yes	Yes
Jennifer Richards	Sr. Manager	Los Angeles, CA	(818) 501-5200	Yes	Yes
Joseph Widjaja	Manager	Costa Mesa, CA	(714) 668-1234	Yes	Yes
Scott Bradach	Sr. Staff	Costa Mesa, CA	(714) 668-1234	Yes	Yes
Colleen Goeser	Sr. Staff	Sacramento, CA	(916) 441-1000	No	Yes

B. For each member of the prospective engagement team listed in the table above, indicate how many years of audit experience he/she has in the following industries and engagements.

Category	Industry Type			Audit Engagement Type		
	Public Education	Other Government	Other Not-For-Profit	A-133	GASB	FASB
Partners:						
Kathy Lai	20	20	20	20	20	20
Jeff Jensen	18	18	18	18	18	18
Jeffrey Sacks	20	20	20	-	20	20
Mike Song	-	-	-	-	-	20
Nicole Bencik	-	-	18	-	-	18
Managers:						
Art Ngo	10	10	10	10	10	10
Jennifer Richards	-	7	7	7	7	7
Joseph Widjaja	7	7	7	7	7	7
Rich Periloux	17	17	17	-	17	17
Diane Brown	-	-	7	-	-	7
Seniors:						
Scott Bradach	5	5	-	5	5	-
Colleen Goeser	4	4	4	4	4	4

5. **External Peer Review:** *CSU requires that all accounting firms of auxiliary organizations have an onsite peer review conducted every three years and received an unqualified opinion. Please provide a copy of the most recent peer review report for the proposed audit firm and answer the questions below:*

- | | |
|--|-----------------|
| a. What was the date of the last peer review report? | <u>10/31/16</u> |
| b. What was the peer review period year-end date? | <u>3/31/16</u> |
| c. What was the opinion in the peer review report? | <u>Pass</u> |

A copy of our Peer Review has been provided in the Peer Review section of our proposal.

Peer Review

8. A copy of the most recent Peer Review report.

External Quality Control Review

Crowe is subject to a Peer Review of our audit practice every three years and has been since 1980. Crowe's current external quality control review organization is Cherry Bekaert LLP. Cherry Bekaert LLP has more than 15 offices located primarily in the Southeastern United States. Our most recent peer review was conducted by Cherry Bekaert LLP, for the year ended March 31, 2016, and our Firm received the highest rating. The review included reviews of specific public sector engagements as well as quality control aspects of our Firm's operations. We have included a copy of our most recent Peer Review Report on the following pages.

Due to varying file types, these pages will not be included on our Table of Contents.

System Review Report

To the Partners of Crowe Horwath LLP
and the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Crowe Horwath LLP (the “firm”) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2016. 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. As a 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*, audits of employee benefit plans, audits performed under FDICIA, audits of carrying broker-dealers, and examinations of service organizations [Service Organizations Control (SOC) 1 and SOC 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of Crowe Horwath LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 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*. Crowe Horwath LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Cherry Bekaert LLP
August 23, 2016

October 31, 2016

James L Powers
Crowe Horwath LLP
225 W Wacker Dr Ste 2600
Chicago, IL 60606

Dear Mr. Powers:

It is my pleasure to notify you that on October 27, 2016 the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is September 30, 2019. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,



Michael Fawley
Chair—National PRC
nprc@aicpa.org 919 4024502

cc: Samuel Edward Johnson; Scot D Ivey

Firm Number: 10014904

Review Number 446067

Letter ID: 1122915A

Appendix A: Resumes



Kathy V. Lai
CPA, CGMA – Partner

650 Town Center Drive, Suite 740
Costa Mesa, California 92626-7192
Direct 714.668.5376
Fax 714.668.1235
kathy.lai@crowe.com
www.crowe.com

Profile

Ms. Lai is a highly accomplished licensed CPA and CGMA public accounting professional of diverse experience derived from providing assurance services to large, complex state and local governmental entities, higher education institutions, school districts, utilities and not-for-profit organizations.

Professional and Industry Experience

With over 20 years of experience in public accounting, Ms. Lai has led the audits of some of the largest education focused governments in California, including Los Angeles Community College District, California State University System and the Los Angeles Unified School District. These entities represent the largest community college district, public university system and K-12 school district in the State of California and among the largest in the United States. Among 400,000 CPA's nationwide, Ms. Lai has been appointed by the AICPA to serve on a select national 15-member State and Local Government Expert Panel. Through her participation with the AICPA, she has been accredited with contributions to authoring the AICPA State and Local Government Audit Guide, including the newest Pension and OPEB Chapters to address the complex GASB pension standards, compiling AICPA comment letters to GASB on emerging standards and presenting webcasts for the AICPA Governmental Audit Quality Center. Other examples of Ms. Lai's thought leadership includes presenting to over 1,000 finance and grant professionals on the complexities of the Uniform Guidance and emerging GASB pronouncements through her involvement with the California Society of Municipal Finance Officers (CSMFO), National Grants Management Association (NGMA) and tailored client trainings.

Education & Certifications

- Bachelor of Arts in Economics, emphasis on Accounting
 - University of California | Los Angeles, California
- Certified Public Accountant, CPA
- Chartered Global Management Accountant, CGMA

Client Focus

Services:

- Audit
- Performance
- Risk

Industries:

- Public Sector

Community Involvement | Professional Affiliations

- AICPA State and Local Government Expert Panel | Member
- California Society of Certified Public Accountants (CalCPA) | Member
- California Society of Municipal Finance Officers (CSMFO) | Member
- Government Finance Officers Association (GFOA) | Member
- National Grant Management Association (NGMA) | Member
- International Society of Filipinos in Finance and Accounting (ISFFA) | Executive Board Member, Founder
- Capistrano Unified School District Foundation | Former Treasurer

Ms. Lai has served on numerous large, complex governmental entities, higher education institutions, school districts, utilities, not-for-profit organizations and consumer markets entities. A representative list of current and past clients served includes:

PUBLIC SECTOR

Education

- California State University System (23 campuses and 90 auxiliary organizations)
- California State University, Fullerton and auxiliaries
- California State University, Long Beach and auxiliaries
- California State University, Los Angeles and auxiliaries
- California State University Institute
- California State University Foundation
- California State University Risk Management Authority
- Los Angeles Community College District
- Los Angeles Unified School District

Governments

- State of California
- County of Los Angeles
- County of Orange
- County of San Bernardino
- County of San Diego
- County of San Mateo
- City and County of San Francisco
- City of Anaheim
- City of Beverly Hills
- City of Burbank
- City of Culver City
- City of Fresno
- City of Garden Grove
- City of Huntington Beach
- City of Las Vegas
- City of Long Beach
- City of Los Angeles
- City of Riverside
- City of Santa Ana
- City of Santa Monica
- City of South Pasadena

Utilities

- Metropolitan Water District of Southern California
- Los Angeles Department of Water and Power
- Los Angeles Sanitation District
- Riverside Public Utilities
- Santa Ana Water Department
- Long Beach Water Department
- OC Waste and Recycling

Seaports

- Port of Los Angeles
- Port of Long Beach

Transportation

- Riverside County Transportation Commission
- LACMTA
- Metrolink
- Long Beach Transportation Company
- Santa Monica Big Blue Bus
- John Wayne Airport
- Los Angeles World Airports
- Long Beach Airport
- Burbank-Glendale-Pasadena Airport Authority

Nonprofits

- Survivors of the Shoah Visual History Foundation
- Operation Hope
- AIDS Healthcare Foundation
- Long Beach Aquarium of the Pacific

CONSUMER MARKETS

- Occidental Petroleum Company
- Guess
- Princess Cruises
- California Tan
- Deckers Outdoor Corporation



Jeffrey A. Jensen
CPA – Partner

400 Capitol Mall, Suite 1400
Sacramento, California 95814-4498
Direct 916.492.5162
Fax 916.441.1110
jeff.jensen@crowe.com
www.crowe.com

Profile

Mr. Jensen has over 16 years of experience in the government audit practice. He directs the audit process for over 30 government clients, including community colleges, school districts and special districts.

Mr. Jensen also actively works with the firm's not-for-profit clients including private foundations and statewide trade associations.

Professional and Industry Experience

Mr. Jensen specializes in audits requiring compliance with OMB Circular A-133/Uniform Grant Guidance and regularly leads internal training related to new and existing requirements.

He conducts performance audits for over 15 large governmental agencies. In connection with these performance audits, large samples of expenditures made from bond proceeds are agreed to supporting documentation and evaluated to ensure that expenditures are allowable under the terms of the bond agreement.

Mr. Jensen also assists in designing special projects to evaluate internal control processes and provide recommended improvements.

Publications and Speaking Engagements

- Association of College Business Officials | Speaker
- Community College Internal Auditor Conference | Speaker
- California Association of School Business Officials Conference | Speaker

Education & Certifications

- Bachelor of Science, Business Administration/Accounting
 - California State University | Fresno, California
- Certified Public Accountant (CPA)

Client Focus

Services:

- Audit

Industries:

- Public Sector

Community Involvement

- Youth Development Network | Vice President

Professional Affiliations

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants
- California Association of School Business Officials

Client Listing

School Districts

- State Center Community College District
- Marin Community College District
- San Joaquin Delta Community College District
- Gavilan Joint Community College District
- Fresno Unified School District
- Fairfield-Suisun Unified School District

Foundations

- Delta College Foundation
- Antelope Valley College Foundation
- College of Marin Foundation
- Hartnell College Foundation
- California Hospital Association Foundation

Higher Education

- City College of San Francisco

Government

- California Student Aid Commission
- California Public Utilities Commission

562-865-2727 x16
steve@ksgallp.com

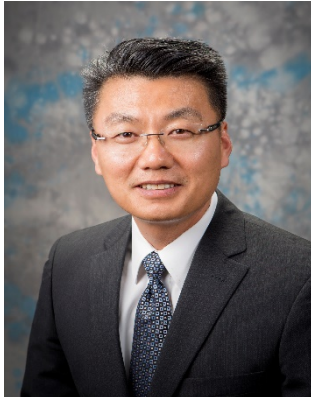


STEVEN KANG

Steven is a proven Senior Executive, Entrepreneur, Consultant, Managing Partner, and Board Member with over 33 years of success in oil & gas, entertainment, theatre, biotech, technology, manufacturing, banks, credit unions, healthcare, medical services, real estate, hospitality, and import/export. Leveraging extensive experience in international tax and real estate, he is a valuable asset for companies looking for transitions from founder/owner to equity to public, growth, and expansion. His broad areas of expertise include entrepreneurship; international business operations; corporate tax; private/public; IPO; financial analysis, planning, auditing, and reporting; accounting; due diligence; compliance; US GAAP; investments; private equity (PE); cash flow; and restructuring.

In his executive career, Steven has held leadership positions at KSGA LLP (Managing Partner); Kang & Associates, an Accountancy Corporation (President); Anderson Income Tax Service (Owner); Gandhi & Kang (Managing Partner); and Hanjin Federal Credit Union (Co-Founder/Vice Chair/CFO). As managing partner of a full-service CPA firm, Steven is proud to provide exemplary service to closely-held businesses and entrepreneurships with international operations, assets, and resources. He also serves many clients in the hospitality, hotel, and motel industries with U.S. and overseas operations. As founder and leader of a Korean community financial institution, he started from scratch and grew it into the top 10% of credit union peers.

Steven earned a B.S. in Accounting from Indiana University; an M.B.A. in Finance from California State University, Los Angeles (CSU-LA); and a Master Degree in Business Taxation from University of Southern California (USC). He has served on boards and advisory councils, including for CSU-LA (Accounting Department Advisory); Korean American Certified Public Accountants (KACPA); KACPA, Southern California Chapter (Chair, President); and Hanjin Federal Credit Union (Vice Chair, CFO). Steven is actively certified and licensed as a Chartered Global Management Accountant (CGMA) and Certified Public Accountant (CPA) – and in Series 7, 66, and Life Insurance. He is a member of the California Society of Certified Public Accountants, and fluent and professionally proficient in English and Korean.

**Mike Song**

Certified Public Accountant

Mike is the partner of the Assurance and Accounting Services at KSGA, LLP with over twenty years of experience in public accounting. He has extensive experience with financial audits, reviews and compilations of closely held and public companies. His main focus is with serving companies in manufacturing, distribution and service industries both domestic and international. He also assists clients with International Financial Reporting Standards (IFRS) reporting requirements. His responsibilities range from planning and supervising attestation engagements to detailed cost improvement strategies. He has extensive experience in reorganizing business operations in order to maximize a business's strengths and minimize weaknesses.

Mike also has experience in private industry. As the director of operations of a dental supply company, Mike was responsible for the day to day operations and oversaw accounting and finance, procurement, customer service, and shipping/receiving departments.

Mike's previous experience includes Audit Partner for a local Irvine CPA firm along with management positions with RSM, PricewaterhouseCoopers and Grant Thornton in Los Angeles.

Mike is a member of American Institute of Certified Public Accountants, and the California Society of Certified Public Accountants. Mike graduated with a Bachelor of Arts degree in Business Economics with an emphasis in Accounting from the University of California at Santa Barbara. He is a Certified Public Accountant in the state of California



Jeffrey A. Sacks
MBA, CISA, CFE – Principal

15233 Ventura Boulevard, Ninth Floor
Sherman Oaks, California 91403-2250
Direct 818.501.5200
Fax 818.907.9632
jeff.sacks@crowe.com
www.crowe.com

Profile

Mr. Sacks is a Principal in Crowe's Technology Risk Services Group unit. He manages and performs I.T. controls testing and assessments for multiple platforms (Oracle Financials, JDE Enterprise One, SAP, and PeopleSoft) in a variety of industries. Additionally, he leads projects around the assessment of companies' I.T. risks, network/infrastructure/ database/web application security, user access management, segregation of duties, business continuity management, vendor management, and ERP pre/post-implementation.

Professional and Industry Experience

Before he joined Crowe, Mr. Sacks was a Principal with Grant Thornton LLP in their Business Advisory Services Group. Prior to that he spent 17 years as a Senior Manager with Deloitte & Touche, LLP in their Enterprise Risk Services group specializing in I.T. audit and compliance.

Professional Affiliations

- Information Systems Audit and Control Association
- Institute of Internal Auditors
- Association of Certified Fraud Examiners

Education & Certifications

- Master of Business Administration, Finance and Marketing
 - University of Southern California | Los Angeles, California
- Bachelor of Science, Management/Information Systems
 - Arizona State University | Tempe, Arizona
- Certified Fraud Examiner (CFE)
- Certified Information Systems Auditor (CISA)

Client Focus

Services:

- IT Internal Audit Co-Sourcing and Outsourcing
- SOC Services
- ERP Consulting and Auditing
- IT Control Frameworks (COBIT, SOX, COSO)
- SSAE 16
- Sarbanes-Oxley Compliance

Industries:

- Financial Services
- Manufacturing and Distribution

Community Involvement:

- Ronald McDonald House | Board Member



Rich A. Perilloux
CISA – Senior Manager

15233 Ventura Boulevard, Ninth Floor
Sherman Oaks, California 91403-2250
Direct 818.501.5200
Fax 818.907.9632
rich.perilloux@crowe.com
www.crowe.com

Profile

Mr. Perilloux is a senior manager in Crowe's Audit and Assurance Practice specializing in Information Technology (IT) Assurance.

Professional and Industry Experience

Mr. Perilloux has over 15 years of IT Audit and Risk experience, including 10 years of professional services experience and five years of industry experience.

Professional Affiliations

- Information Systems Audit and Control Association
- Institute of Internal Auditors

Education & Certifications

- Bachelor of Science
 - College of Business, Louisiana State University | Baton Rouge, Louisiana
- Certified Information Systems Auditor (CISA)

Client Focus

Services:

- Risk-Based IT Internal Audit Planning
- Internal IT Audit Co-Sourcing
- External Audit Support
- Control Framework Audits (COBIT/COSO)
- GLBA Compliance
- Information Security Threat Assessment
- Business Continuity Planning
- Vendor Management
- Datacenter Management (Physical and Environmental)
- Access Management
- System Acquisition and Development
- Data Backup Processes
- IT General Controls
- SOx Compliance

Industries:

- Financial Services
- Manufacturing and Distribution
- Construction and Real Estate
- Public Sector



Arthur T. Ngo
CPA – Senior Manager

400 Capitol Mall, Suite 1400
Sacramento, California 95814-4498
Direct 916.266.9502
Fax 916.441.1110
arthur.ngo@crowe.com
www.crowe.com

Profile

Mr. Ngo brings over 10 years of experience in auditing. He specializes in governmental and not-for-profit clients, which includes California school districts, higher education and special districts.

Professional and Industry Experience

Mr. Ngo's significant responsibilities include audit planning, supervision and reporting for various government and not-for-profit organizations and audit procedures under the OMB Uniform Guidance. He has also served as an instructor for in-house training programs and has been involved in research and implementation of new accounting pronouncements. Mr. Ngo has been responsible for the preparation and review of audited financial statements.

Professional Affiliations

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants

Education & Certifications

- Bachelor of Science, Business Administration, Accounting
 - California State University | Fresno, California
- Certified Public Accountant (CPA)

Client Focus

Services:

- Financial Audit
- Performance Audit
- Agreed Upon Procedures

Industries:

- Public Sector

Client Listing

School Districts

- Stockton Unified School District
- West Contra Costa Unified School District
- Humboldt County Office of Education
- Roseville Joint Union High School District
- Central Unified School District

Higher Education

- Sierra Joint Community College District
- Marin Community College District
- Feather River Community College District
- Chabot Community College District

Insurance

- Golden Bear Insurance Company
- Premier Access Insurance Company
- TDIC Insurance Solutions

Not-for-Profit

- Sierra College Foundation
- Feather River College Foundation
- California Children's Hospital Association
- California Dental Association Foundation
- California Statewide Certified Development Corporation
- Southgate Recreation and Park District



Joseph K. Widjaja
CPA – Senior Staff

650 Town Center Drive, Suite 740
Costa Mesa, California 92626-7192
Direct 714.668.5361
Fax: 714.668.1235
joseph.widjaja@crowe.com
www.crowe.com

Profile

Mr. Widjaja has over three years of general accounting experience and four years of public accounting auditing experience. Most recently, Mr. Widjaja was employed as a Senior Staff Auditor and has lead and supervised audit engagement teams, conducted financial audits, federal and state compliance audits, and agreed upon procedures for government entities. Mr. Widjaja has served over 60 school districts, county offices of education, charter schools, cities, transportation authorities and not for profit organizations all over California.

Professional and Industry Experience

Mr. Widjaja has experience in planning, supervising, executing and reporting on audits of financial statements prepared in accordance with GASB. He provides one-on-one client service for any questions on accounting matters throughout the year and researches technical issues in relation to accounting guidance, GASB, Uniform Guidance, and other emerging accounting and financial reporting matters. He has served as an instructor for in-house training programs. He has extensive experience in performing state compliance and single audit for various state and local government entities.

Professional Affiliations

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants

Education & Certifications

- Masters of Business Administration, Concentration: Finance
 - California State of Polytechnic | Pomona, California
- Bachelor of Arts, Business Economics
 - University of California | Irvine, California
- Certified Public Accountant (CPA)

Client Focus

Services:

- Audit
- Uniform Guidance
- GASB 34 Conversion

Industries:

- Public Sector
- Not-for-Profit
- State and Local Government

Community Involvement

- International Full Gospel Fellowship-Volunteer Coordinator
- Dream Center-Adopt a Block Member

Client Listing

County of Education

- Inyo County Office of Education
- Riverside County Office of Education
- Trinity County Office of Education
- Ventura County Office of Education

School Districts

- ABC Unified School District
- Alvord Unified School District
- Anaheim Union High School District
- Antelope Valley Union High School District
- Bishop Unified School District
- Castaic Union School District
- Charter Oak Unified School District
- Chino Valley Unified SD
- Coachella Unified School District
- Corona-Norco Unified School District
- Covina Valley Unified School District
- Fallbrook Union High School District
- La Habra City School District
- Laguna Beach Unified School District
- Lake Elsinore Unified School District
- Newport-Mesa Unified School District
- Norwalk-La Mirada Unified School District
- Ontario-Montclair School District
- Palmdale School District
- Placentia-Yorba Linda Unified School District
- Pomona Unified School District
- Redlands Unified School District
- Rialto Unified School District
- Rim of the World Unified School District
- Rio Elementary School District
- Sacramento Unified School District
- Saddle Back Unified School District
- San Bernardino City Unified School District
- San Diego Unified School District
- Santa Ynez Valley Union High School District
- Silver Valley Unified School District
- Snowline Unified School District
- South San Francisco Unified School District
- South Whittier School District
- Sweetwater Union High School District
- Tehachapi Unified School District
- Temecula Valley Unified School District
- Upland Unified School District
- Victor Valley Union High School District
- Vista Unified School District
- Westminster Unified School District

Charter Schools

- Nova academy
- Riverside County Education Academy
- SIATech
- Temecula Preparatory
- The Education Corps
- Youthbuild Academy

Not-for-Profit Organizations

- Bellevue Memorial Park
- Inland Regional Center
- Partners in Nutrition Cooperative (PINCO)
- Regional Center of Orange County
- South Central Los Angeles Regional Center

Other Entities Served

- Bonita Canyon Public Facilities Financing Authority
- Building Corporation of Riverside County
- California State Teachers' Retirement System
- California Governor's Office of Emergency Services
- City of Beverly Hills
- City of Cupertino
- Foothill Transit
- Kinecta Federal Credit Union
- San Bernardino County Transportation Authority
- San Diego Association of Governments
- Regional Transportation Commission of Southern Nevada
- West Ed



Scott Bradach
CPA – Senior Staff

650 Town Center Drive, Suite 740
Costa Mesa, California 92626-7192
Direct 714.668.5375
Fax: 714.668.1235
scott.bradach@crowe.com
www.crowe.com

Profile

Mr. Bradach has over four years of public accounting and auditing experience, with a primary focus on serving governmental agencies. He has led and supervised audit engagement teams, conducted financial audits, performed federal and state compliance audits, and prepared financial statements for numerous governmental entities. Mr. Bradach has served over 80 counties, cities, county offices of education, school districts, charter schools, not-for-profit organizations, and joint powers authorities throughout California.

Client Focus

Services:

- Audit
- Uniform Guidance

Industries:

- Public Sector
- Local Government
- Transit
- Not-for-Profit

Professional and Industry Experience

Mr. Bradach has experience in planning, supervising, executing, and reporting on audits of financial statements prepared in accordance with GASB. He provides one-on-one client service for any questions on accounting matters throughout the year and researches technical issues in relation to accounting guidance, GASB, and other emerging accounting and financial reporting matters. He has extensive knowledge of the Office of Management and Budget's (OMB) Uniform Guidance and has performed and supervised Single Audit procedures for over 40 governmental entities.

Professional Affiliations

- American Institute of Certified Public Accountants
- California Society of Certified Public Accountants

Education & Certifications

- Bachelor of Science, Business Administration - Accounting
 - California State Polytechnic University, Pomona | Pomona, California
- Certified Public Accountant (CPA)

Client Listing

Counties

- County of San Diego, California

Cities

- City of Carlsbad, California
- City of Chula Vista, California
- City of Coronado, California
- City of El Cajon, California
- City of Escondido, California
- City of La Mesa, California
- City of Lemon Grove, California
- City of National City, California
- City of Oceanside, California
- City of Poway, California
- City of San Diego, California
- City of Santee, California
- City of Solana Beach, California
- City of West Sacramento, California

Transit Entities

- San Bernardino County Transportation Authority
- San Diego Association of Governments

County Offices of Education

- Inyo County Office of Education
- Riverside County Office of Education
- Santa Barbara County Education Office
- Trinity County Office of Education

School Districts

- ABC Unified School District
- Anaheim Union High School District
- Azusa Unified School District
- Big Pine Unified School District
- Bishop Unified School District
- Burnt Ranch Elementary School District
- Capistrano Unified School District
- Castaic Union School District
- Chino Valley Unified School District
- Coachella Unified School District
- Coronado Unified School District
- Covina Valley Unified School District
- Douglas City Elementary School District
- Fallbrook Union High School District

School Districts (continued)

- Fresno Unified School District
- Happy Valley Union School District
- Junction City Elementary School District
- Junction Elementary School District
- Laguna Beach Unified School District
- Lake Elsinore Unified School District
- Lewiston Elementary School District
- Lompoc Unified School District
- Lone Pine Unified School District
- Mountain Valley Unified School District
- North Cow Creek Elementary School District
- Norwalk-La Mirada Unified School District
- Ocean View School District
- Ojai Unified School District
- Ontario-Montclair Unified School District
- Owens Valley Unified School District
- Palmdale Unified School District
- Palos Verdes Peninsula Unified School District
- Placentia-Yorba Linda Unified School District
- Pomona Unified School District
- Ramona Unified School District
- Redlands Unified School District
- Rio Elementary School District
- Round Valley Unified School District
- San Bernardino City Unified School District
- San Juan Unified School District
- Santa Barbara Unified School District
- Sierra Sands Unified School District
- Silver Valley Unified School District
- South Whittier School District
- Southern Trinity Joint Unified School District
- Sweetwater Union High School District
- Tahoe Truckee Unified School District
- Tehachapi Unified School District
- Trinity Center Elementary School District
- Upland Unified School District
- Victor Valley Union High School District
- Visalia Unified School District
- Vista Unified School District
- Westminster School District
- Wilsona School District

Charter Schools

- American Heritage Charter Schools
- Morris E. Dailey Charter Elementary School
- SIATECH Charter School
- Riverside County Education Academy
- Youthbuild Charter Schools

Not-for-Profit Organizations

- Glendora Public Library Friends Foundation

Joint Powers Authorities (JPA)

- Inyo County Career Technical Education Program



Jennifer A. Richards
CPA – Senior Manager

jennifer.richards@crowe.com
www.crowe.com

Profile

Ms. Richards has over fourteen years of experience in public accounting, including experience providing services to the government, not-for-profit, and higher education industries. Currently, she devotes a significant portion of her time to public sector organizations, including those receiving federal and state financial assistance.

Professional and Industry Experience

During her career, Ms. Richards has spent the majority of her time focusing on the public sector, including performing and supervising audit and attest services for a variety of government, not-for-profit, higher education, public and privately held companies, with a focus on 501(c)(3) organizations and colleges and universities.

Professional Affiliations

- California CPA Society

Education & Certifications

- Master of Science, Accounting
 - Northern Illinois University | DeKalb, Illinois
- Certified Public Accountant (CPA), California

Client Focus

Services:

- Financial Statement Audit
- Single Audits under Uniform Guidance
- Agreed Upon Procedures

Industries:

- Public Sector
 - Not-for-Profit
 - Government
 - Higher Education
 - Membership Associations
 - Private Foundations

Speaking Engagements

Ms. Richards has been a frequent speaker at national and regional conferences including:

- AICPA Not-for-Profit Conference, June 2018, Introduction to Endowments, and Advanced Endowment Accounting
- California Society of Municipal Finance Officers, March 2018, Uniform Guidance – Understanding the Procurement Challenge
- Conference chair, Illinois CPA Society Accounting and Uniform Guidance update, June 2017
- AICPA Not-for-Profit Conference, June 2017, Split-interest Agreements, and unplugged session for Cultural Organizations

Client Listing

Governments and Public Entities

- San Diego Association of Governments (TDA sub-recipient fund audits)
- California Office of Emergency Services (Grant compliance)
- Illinois Department of Transportation (Sub-recipient, ARRA reviews)
- Arkansas Department of Information Systems (A-87 examination)
- Whitnall School District
- Kenosha Unified School District
- South Bend Community School Corporation
- McCormick Place Convention Center
- Los Angeles Convention Center

Colleges and Universities

- Augustana College, Rock Island, IL
- Aurora University, Aurora, IL
- Belmont University, Nashville, TN
- Benedictine University, Lisle, IL
- Centre College, Danville, KY
- Jacksonville University, FL
- Mills College, CA
- North Central College, Naperville, IL
- Roosevelt University, IL

Membership Associations

- Chicago Association of Realtors
- International Association of Lions Clubs
- National Association of Realtors
 - Society of Petroleum Engineers

Other Not-for-Profit Organizations

- Alain Locke Initiative
- Alain Locke Charter School
- Goodman Theatre
- Goodwill of Southern California
- Fermilab Research Alliance
- The Girl Scouts of Greater Chicago and Northwest Indiana
- Institute for the International Education of Students
- The John D. and Catherine T. MacArthur Foundation
- Lyric Opera of Chicago
- Max McGraw Wildlife Foundation
- Pathways Center for Children



Colleen Goeser
Senior Staff

575 Market Street, Suite 3300
San Francisco, California 94105-5829
Direct 415.946.7441
Fax 415.576.1110
colleen.goeser@crowe.com
www.crowe.com

Profile

Ms. Goeser provides audit services to clients in a wide range of industries including government, not-for-profit, financial services and higher education.

Professional and Industry Experience

Ms. Goeser has been responsible for engagement planning and management, with a focus in the public sector entities. Her experience includes auditing financial statements, auditing compliance and internal controls over compliance in accordance with Government Auditing Standards and Uniform Guidance and financial statement preparation.

Education & Certifications

- Bachelor of Science, Accounting
 - University of Redlands | Redlands, California

Client Focus

Services:

- Financial Statement Audits
- Uniform Guidance Compliance

Industries:

- Government
- Not-for-Profit
- Financial Services
- Higher Education

Client Listing

Local Education Entities / Higher Education

- Mills College
- Marin Community College District
- San Mateo Community College District
- Chabot-Las Positas Community College District
- Contra Costa Community College District
- Monterey Peninsula Unified School District
- Mount Pleasant Elementary School District
- Mountain View-Los Altos Union High School District
- Santa Cruz City School District
- Santa Clara County Office of Education

Not-for-Profit

- Public Health Institute
- OneSky Foundation
- The Women's Foundation of California



Nicole M. Bencik
CPA – Partner

225 West Wacker Drive, Suite 2600
Chicago, Illinois 60606-1224
Direct 312.899.8411
Fax 312.899.5300
nicole.bencik@crowe.com
www.crowe.com

Profile

Ms. Bencik has over 20 years of tax experience concentrating in services to the not-for-profit sector. Ms. Bencik is partner and leader of our Public Sector vertical and leads the National Not-for-Profit Practice. She has served higher education institutions, healthcare, trade associations, private foundations, cultural arts organizations, governmental entities and other not-for-profit organizations. Ms. Bencik serves not-for-profit organizations in both a tax reporting and consulting role and speaks frequently on both general taxation and specific tax-exemption issues.

Client Focus

Services:

- Federal and State Tax Compliance
- Unrelated Business Income Tax
- Reorganization/Restructure
- Alternative Investments

Industries:

- Not-for-Profit
- Private Foundations
- Higher Education
- Healthcare

Publications and Speaking Engagements

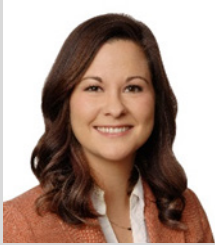
- National Association of College and University Business Administrators | Speaker
- Foundation Financial Officers Group | Speaker
- National Hospice & Palliative Care Organization | Speaker
- National Association of Black Accountants | Speaker
- NACUBO Form 990 Electronic Manual | Co-Author

Professional Affiliations

- American Institute of Certified Public Accountants
- Illinois CPA Society

Education & Certifications

- Masters, Tax
 - University of Illinois | Urbana, Illinois
- Bachelor of Science, Accounting
 - DePaul University | Chicago, Illinois
- Certified Public Accountant (CPA)



Diane Brown
JD, LLM – Senior Manager

575 Market Street, Suite 3300
San Francisco, California 94105-5829
Tel 415.590.3906
Fax 415.576.1110
diane.brown@crowe.com
www.crowe.com

Profile

Ms. Brown has over eight years of tax experience concentrating in services to the not-for-profit sector. She has spent a majority of her career serving tax-exempt organizations, such as private foundations, publicly supported charities, membership organizations and various other not-for-profit organizations.

Professional and Industry Experience

- **Tax compliance:** Ms. Brown has helped manage all tax compliance aspects for many 501(c) organizations. She is well-versed on the IRS Form 990, as well as alternative investments and unrelated business income. Ms. Brown works closely with client personnel and engagement teams in all aspects of a tax compliance engagement.
- **Tax consulting:** Ms. Brown has researched a number of issues affecting tax-exempt organizations such as unrelated business income tax, property tax and state tax issues and works to keep her clients informed of issues affecting tax-exempt organizations.
- **Educational seminars:** Ms. Brown has attended numerous internal and external training seminars in both general taxation and specific tax-exemption issues. She continues to monitor pending legislative changes, Senate Finance Committee recommendations, States' Attorneys General and enforcement initiatives conducted by the IRS in order to better inform her clients about upcoming changes in the not-for-profit sector.

Education & Certifications

- Juris Doctor and Masters of Law, Taxation
 - Golden Gate University School of Law | San Francisco, California
- Bachelor of Arts, Psychology
 - Syracuse University | Syracuse, New York

Client Focus

Services:

- Tax Services

Industries:

- Not-for-Profit
- Public Sector
- Private Foundations
- Publicly-Supported Charities
- Membership Organizations
- Higher Education

Community Involvement

- Breast Cancer Emergency Fund | Treasurer/Board Member

Professional Affiliations

- California Bar Association
- American Bar Association

Client Listing

Not-for-Profit

- Guide Dogs for the Blind, Inc.
- Half the Sky Foundation and Subsidiaries
- California Dental Association Foundation
- The McConnell Foundation
- Center for Youth Wellness
- Women's Foundation of California
- Center for AIDS Research and Education Sacramento
- Goodwill of Southern California
- Public Health Institute
- Fortune School for Education
- Sacramento Region Community Foundation
- Words of Peace International
- Virginia G Piper Charitable Trust

Membership Associations

- California Beer and Beverage Distributors
- California Waterfowl Association
- Office Products Dealer Association

Healthcare

- Center for AIDS Research and Education Sacramento
- Nathan Adelson Hospice, Inc.
- Texas Children's Hospital

Appendix B: Firm Profile

Organizational Structure

Crowe: Building Lasting Value

Crowe is a public accounting, consulting, and technology firm that combines deep industry and specialized expertise with innovation. By listening to our clients, we learn about their businesses and the challenges they face. Our dedicated teams strive to deliver exceptional client service while upholding our core values and strong professional standards. We invest in tomorrow because we know smart decisions build lasting value for our clients, people, and profession.

Industry specialization is the primary go-to-market strategy for the firm, relying on teams of individuals contained within the business units to drive service delivery and growth within key industries.



Banking
Manufacturing & Distribution
Restaurant & Retail
Higher Education
Construction & Real Estate
Not-for-Profit

Healthcare



Financial Services
Private Equity
Retail Dealer
Food & Commodities
Government

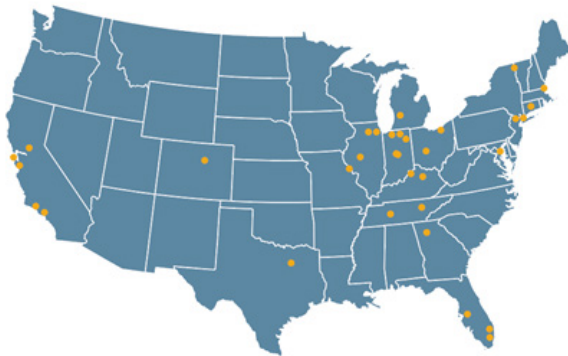


Technology, Media, & Communications

Founded in 1942 as Crowe Chizek, Crowe provides a wide variety of high-quality services, including audit and accounting, tax, technology, and advisory services. The firm has been providing auditing services for 75 years and has more than 4,000 personnel.

Office Locations

Crowe serves clients coast to coast from the following office locations:

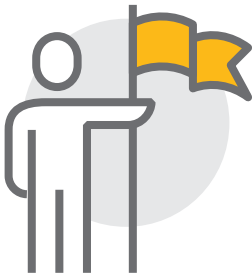


- California | Los Angeles (2), Orange County, Sacramento, San Francisco, San Jose
- Colorado | Denver
- Connecticut | Hartford
- District of Columbia | Washington D.C.
- Florida | Fort Lauderdale, Miami, Tampa
- Georgia | Atlanta
- Illinois | Chicago, Oak Brook, Springfield
- Indiana | Elkhart, Fort Wayne, Indianapolis (2), South Bend
- Kentucky | Lexington, Louisville
- Massachusetts | Boston
- Michigan | Grand Rapids
- Missouri | St. Louis
- New Jersey | Livingston
- New York | New York
- Ohio | Cleveland, Columbus
- Tennessee | Knoxville, Nashville
- Texas | Dallas
- Vermont | Burlington

Independence and Objectivity

As a firm of certified public accountants, Crowe has policies and procedures to provide reasonable assurance that professional personnel maintain independence, integrity, and objectivity required under professional standards. A dedicated unit within Crowe, the ethics and independence group within the firm's national office, is responsible for managing and communicating independence and ethics guidance and firm protocol.

Independence precludes relationships that might in fact or appearance impair objectivity in performing audit and other attest services. Integrity requires personnel to be honest and candid within the constraints of client confidentiality. Service and the public trust are not to be subordinated to personal gain or advantage. Objectivity is a state of mind and a quality that lends value to a firm's services. The principle of objectivity imposes the obligation to be impartial, intellectually honest, and free of conflicts of interest.



A Crowe individual must consciously refuse to subordinate his or her judgment to that of others and must avoid relationships that may impair objectivity or influence judgment. The Crowe policy is that all personnel must be in fact and appearance independent in attitude, in the conduct of work performed, and in relationships with clients, as required by applicable professional standards.

We are not aware of any relationships that would be in violation of applicable professional standards.

Regulators and Standards Setters

Maintaining credibility and strong relationships with regulators is a critical element of your success. Our work has been reviewed by regulators extensively in multiple organizations, and we consistently receive positive feedback.

Crowe recognizes that regulatory compliance and good exam performance are priorities. Our key service delivery members have frequent interaction with industry regulators – state and national - as part of clients' annual examinations and are highly qualified to facilitate regulator communication.



Our Values

Our vision is built on deep specialization and a focus on our clients, our people, and the hallmarks of our profession: integrity, objectivity, and independence. With an equal sharing model, we invest in and engage the most effective resources available and go deeper to find valuable insights and opportunities.

Starting with our core purpose of "Building Value with Values[®]," our values code brings together the guiding principles that all members of the firm, regardless of title or position, are expected to use in their interactions with colleagues, with clients, and in the communities and profession in which we work. It explains to our people the standards and expectations of ethical conduct that Crowe requires when doing business, wherever that might be.

This core purpose and our core values – care, share, invest, and grow – guide us in exercising professional skepticism, objectivity, and being free of conflicts of interest. They guide our people in acting with the utmost integrity and professionalism in each interaction and provide a solid foundation for the firm.

Diversity and Inclusion

Integrity and exceptional client service are the cornerstones of our client relationships. Crowe promotes and fosters an inclusive work environment where respect, trust, and integrity are valued and people are free to reach their full potentials.

We recognize this goal can only be achieved through collaboratively leveraging the diversity, perspectives and needs of our people, our clients and our communities. Accordingly, diversity and inclusion are two of the firm's top priorities, integrated into firmwide programs, policies, people processes, systems, and day-to-day initiatives. Our Diversity and Inclusion Advisory Council is a governance body that oversees the execution of all key strategies and initiatives with robust CEO and leadership support. Overall, this commitment and the firm's many inclusive initiatives help us understand, appreciate, and address each individual's perspectives and needs and support our firm's values.

Environmental Sustainability Commitment and Goals

Our firm promotes an environmentally conscientious workplace through education, awareness, and partnerships, thereby creating eco-friendly practices. We continually research ways to increase and promote our green efforts, which establishes a culture of environmental stewardship. Through this effort, each of our locations is making substantial grassroots contributions toward environmental sustainability. Our firm continuously strives to incorporate environmental accountability and thoughtfulness throughout our culture and business practices.



Crowe was one of the founding Advisory Partners to the Sustainability Accounting Standards Board (SASB), providing subject matter expertise in disclosure reporting, risk management, internal audit, fraud and ethics, security and privacy, and regulatory compliance. Crowe, with membership in organizations including the Corporate Responsibility Association (CRA) and the Boston College Center for Corporate Citizenship, promotes the practice and profession of corporate responsibility in service of ethical, sustainable business. Through our memberships, Crowe supports these organizations in their advocacy for accountability in environmental policy, establishing ratings and rankings, protecting brand and reputation, encouraging diversity and inclusion in business, and developing responsible corporate principles.

Education and Professional Development

At Crowe, a career is a continual learning experience. Crowe University, our firm's learning portal, helps our people pursue learning experiences that create opportunities to build deep specialization and leadership skills. Full-time professionals can take advantage of its online learning courses, webinars, and other resources.

Crowe University is organized on a university model, with colleges and departments providing specialized curriculum. It houses curriculum maps designed to enhance technical knowledge and professional skills in areas such as project management, people development, leadership, and interpersonal skills. Learning is fundamental at Crowe, so our personnel have access to the training they need to grow and develop, regardless of their career stage or role.

Employee Satisfaction

Crowe has been ranked among the best places to work in many of our geographic markets. Crowe also conducts an annual personnel survey to gather feedback for firm leadership and to continuously improve our talent programs.

Our 2017 personnel survey had a 89 percent response rate across the firm, which indicates workers believe their voices make a difference and want to spend the time to improve the culture even further. This response rate was not an anomaly as the rate has been consistently high during the past several years

During the past three years, Crowe has experienced an average voluntary turnover rate of less than 15 percent. Our staff continuity enables us to develop and maintain an in-depth understanding of your operations, management style, and operating practices, which ultimately will allow us to serve your organization more effectively over time.

Additionally, our culture stresses the importance of partner presence throughout projects and engagements. Active, personal involvement by partners, managers, and other experienced professionals is key to a successful client relationship.

Client Feedback

We have learned from our clients that there are certain attributes important to their overall experience, and each client perceives value differently. To help us meet our clients' expectations, we conduct an engagement survey that allows our clients to evaluate our performance.

In addition, if a client is faced with a challenge or issue that is unresolvable with their Crowe partner, we encourage clients to contact our dedicated client feedback manager by calling +1 877 430 3900, or emailing clientfeedback@crowe.com. The client feedback manager works with our clients and Crowe leaders to understand the issues, and resolve the situations while taking steps to try to avoid similar situations in the future.

Client Engagement Survey Results

Our 2017 client engagement surveys show that Crowe has achieved a 90 percent client engagement index score. According to our survey administrator, PeopleMetrics, our score is 37 points higher than the industry average of 53 percent. An engaged client is one who agrees that it really likes working with us, is likely to continue to work with us, would go out of its way to keep working with us, and will recommend us to its colleagues.



Professional Standings and Recognition

Accounting Today

Crowe ranks as the ninth largest U.S. public accounting and consulting firm (based on U.S. net revenue) according to the “2018 Accounting Today Top 100 Firms” list.

Fortune 100 Best Companies To Work For 2018

Crowe is proud to be recognized as one of the 100 Best Companies to Work For by Fortune 100*. The list is based on feedback from more than 310,000 employees at Great Place to Work-Certified organizations, and more than 50 elements of the workplace, including trust in managers, compensation, fairness, camaraderie and workplace traits linked to innovation.

Crowe has also been named to other Fortune lists in the past year including Best Workplaces in Consulting and Professional Services, Best Workplaces for Giving Back and Best Workplaces for Parents.

* FORTUNE and FORTUNE 100 Best Companies to Work For are registered trademarks of Time Inc. and are used under license. From FORTUNE Magazine, March 1, 2018.
©2018 Time Inc. Used under license. FORTUNE and Time Inc. are not affiliated with and do not endorse products and services of Crowe LLP.

PeopleMetrics

For the fifth year in a row (2015), Crowe was recognized as one of the five best-performing companies across PeopleMetrics’ customer base. In addition, PeopleMetrics’ customer base selected two Crowe professionals to be PeopleMetrics Brand Ambassadors. *The last year PeopleMetrics presented this award was in 2015.*

Customer Experience Professionals Association

The exceptional Crowe client experience team received the Customer Experience Innovation Award from the Customer Experience Professionals Association (CXPA) in 2015. This is the most prestigious award a company can receive from the CXPA, as it recognizes new practices that improve customer experience, result in strong business impact, and advance the field of customer experience for other organizations.

Temkin Group Award

Crowe received the Customer Experience Excellence Award from the Temkin Group in 2016 based on its efforts to improve client experience in a sustainable manner.



Appendix C: National Credentials

We have provided our national credentials in the higher education space on the following pages.

Due to varying file types, these pages will not be reflected on our Table of Contents.



National Credentials Higher Education

Audit / Tax / Advisory / Risk / Performance

Smart decisions. Lasting value.™

National Credentials

Higher Education

At Crowe we understand the challenges that higher education institutions face in meeting stakeholder expectations.

Crowe serves more than 700 not-for-profit and public sector clients across the United States including over 170 higher education institutions and related entities. Our firm has more than 60 years of experience delivering assurance, tax, and advisory services to higher education institutions. Crowe is also a proud NACUBO Corporate Circle member and a NACUBO Distance Learning sponsor.

National Credentials of Our Higher Education Team



Pete A. Ugo, CPA
AICPA Government and Not-for-Profit Training Program Conference Steering Committee

Pete is the not-for-profit and higher education services leader, bringing more than 20 years experience providing audit and advisory services for the not-for-profit and higher education industries. Prior to his current AICPA committee, he served on the steering committee for the AICPA Not-for-Profit Industry Conference for eight years and served as the committee's accounting and auditing lead. Pete serves a variety of not-for-profit organizations, including colleges and universities, foundations, and cultural arts, trade, and membership organizations. His experience includes auditing, financial reporting, uniform guidance, and consulting on other organizational matters. Pete is a frequent speaker on not-for-profit topics at various national, AICPA, and state CPA society sessions and conferences.



Nicole M. Bencik, CPA
Nicole Bencik is a partner and leader of our Public Sector Tax Vertical and the National Not For Profit Tax Practice. Ms. Bencik has more than 20 years of tax experience concentrating in

services to the not-for-profit sector. She has served higher education institutions, trade associations, private foundations, cultural arts organizations, governmental entities, healthcare and other not-for-profit organizations. Nicole serves not-for-profit organizations in both a tax reporting and consulting role and speaks frequently at various not-for-profit conferences on tax exemption issues such as the Form 990, alternative investment reporting, unrelated business income and employment tax among others.



Stuart J. Miller, CPA
Chair, AICPA Not-for-Profit Entities Revenue Recognition Task Force

Stuart is a partner with Crowe and has more than 30 years of audit and business advisory experience. Prior to serving on his current task force, he served on the AICPA Not-for-Profit Entities Expert Panel for six years. Stuart specializes in not-for-profit engagements, including colleges and universities, private foundations, social service agencies, religious organizations, and membership organizations. With significant experience in financial reporting, organizational reviews, and business process redesign, Stuart is also a regular speaker on not-for-profit industry developments.



Rachel L. Spurlock, CPA
AICPA Tax Resources Panel to the IRS

Rachel is a partner and healthcare tax services leader who specializes in public sector tax services. In addition, she is closely involved with leadership and client experience curriculum in the firm's learning portal, Crowe University. Rachel has deep expertise in managing tax engagements and consulting on tax matters unique to the not-for-profit sector, including 501(r) compliance, unrelated business income, compensation and fringe benefit issues, tax-exempt financing, and board education.



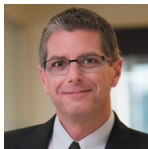
Janice M. Smith, CPA
AICPA Tax Resources Panel to the IRS

Jan has more than 20 years of experience representing large higher education, healthcare, and other tax-exempt organizations from both a global law firm and accounting firm perspective. Jan's experience includes advising such organizations on tax, corporate, regulatory, and operational matters. She leads tax consulting engagements involving unrelated business taxable income analysis, formation of tax-exempt organizations, compensation matters, hospital compliance with section 501(r) regulations, and more. She is a frequent author for national, regional, and local publications on numerous topics affecting tax-exempt organizations.



Brian T. Zygmunt, CPA
AICPA Not-for-Profit Industry Conference Steering Committee

Brian is a partner with Crowe and has more than 20 years of audit and business advisory experience serving not-for-profit organizations. This experience includes serving private foundations, colleges and universities, cultural institutions, and membership and religious organizations. Brian is a former member of the AICPA's Not-for-Profit Entities Expert Panel and currently serves on the AICPA Not-for-Profit Industry Conference Steering Committee. He is the chair of the Accounting and Auditing Committee subgroup overseeing the related content in this area for the conference. His experience includes auditing, financial reporting, budgeting, and government regulations. Brian is a frequent speaker on these topics at national and regional conferences.



John C. Weber, CPA
U.S. Comptroller General's Advisory Council on Government Auditing Standards Former Member

John is a partner with Crowe and has more than 25 years of experience providing assurance and consulting services. He specializes in providing services to state and local government units, not-for-profit organizations, and higher education institutions. John has developed and/or led continuing education training programs related to single audit controls, uniform guidance, Yellow Book government auditing standards, and GASB standards.



Kelly A. Frank, CPA, CGMA
FASB Not-for-Profit Advisory Committee
FASB Not-for-Profit Resource Group

Kelly is a partner with Crowe and has more than 25 years experience providing audit and advisory services to not-for-profit and higher education clients. She is a member of the FASB's Not-for-Profit Advisory Committee and Not-for-Profit Resource Group. Kelly serves a diverse mix of not-for-profit organizations, including associations, foundations, arts and culture entities, social service agencies, educational institutions, and religious organizations. Kelly contributes her expertise on emerging trends in the not-for-profit and education industries through speaking engagements as well as various not-for-profit-focused publications at the local, regional, and national level.



Kathy V. Lai, CPA, CGMA
AICPA State and Local Governments Former Member Expert Panel

Kathy is a partner with the Crowe public sector services group, specializing in providing audit and advisory services to higher education institutions, not-for-profit organizations, and state and local governments. With approximately 20 years of experience in public accounting, she has led the audits of some of the most complex public sector organizations, including a state single audit of more than \$90 billion of the largest state university system in the U.S. Kathy has previously been appointed by the AICPA to serve on the select national 15-member State and Local Governments Expert Panel. She is also frequent presenter for the AICPA, including webcasts for the AICPA Governmental Audit Quality Center on audit preparedness and presentations for the AICPA Governmental and Not-for-Profit Training Program on emerging new standards.



Kevin W. Smith, CPA
AICPA State and Local Governments Expert Panel

Kevin is a partner with the Crowe public sector services group, specializing in providing audit and advisory services to state and local governments, not-for-profit organizations, and higher education institutions. He has more than 25 years of experience working with a wide range of public sector clients, including two of the largest public employee pension plans in the United States. Kevin has twice been appointed by the AICPA to serve on the select national 15-member State and Local Governments Expert Panel. Through his participation with the Expert Panel, he has been credited with contributions to authoring the AICPA State and Local Governments Audit and Accounting Guide and compiling AICPA comment letters for standard-setting bodies on emerging issues. Kevin has also presented to financial and grant professionals on the complexities of the Office of Management and Budget's Uniform Guidance and emerging GASB pronouncements through his involvement with the California, Oklahoma, and Texas state societies of CPAs.



Learn More

Nicole Bencik
Partner
+1 312 899 8411
nicole.bencik@crowe.com

Pete Ugo
Partner
+1 317 208 2509
pete.ugo@crowe.com

Crowe lends its expertise and thought leadership regularly to those organizations serving the public sector, such as:



Crowe also supports the Financial Accounting Standards Board (FASB).

How Much Time and Money Are You Spending to Complete Your Form 990?

Discover your savings with C-TRAC™. Register for a product demo at crowe.com/ctrac.

About Crowe

“Crowe” is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. Crowe may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.

crowe.com/ctrac

Appendix D: Higher Education Clients

We have provide a listing of our higher education clients on the following pages.

Dedicated to Serving the Higher Education Industry

Although we provide a variety of services to our clients, our primary relationship with each institution is denoted as follows: (A) Assurance relationship; (C) Consulting relationship; (T) Tax relationship.

Arizona

Midwestern University
(Glendale campus) (C/T)
Northcentral University (A/T)

California

Biola University (C)
California State
University - Chico (C)
Chabot-Las Positas
Community College
District (A/C)
College of Marin (A/C)
Contra Costa Community
College District (A/T)
Feather River College (A)
Foothill-De Anza Community
College District (C)
Hartnell College (A/T/C)
Mills College (A/C/T)
San Joaquin Delta
College (A/C/T)
San Mateo County
Community College
District (A/T)
Sierra College (A/C/T)
State Center Community
College District (A/C)
University of California (C)
University of California
Davis Medical Center (C)
University of San Diego (C)
University of San
Francisco (C)
University of the Pacific (C)
Yosemite Community
College District (A/T/C)

Colorado

University of Colorado
Hospital (C)

Connecticut

Trinity College (C)

Florida

Beacon College (C)
Flagler College (C)
Jacksonville
University (A/C/T)
Lynn University (T)
UF Health Shands
Hospital, University of
Florida - Gainesville (C)

University of Central
Florida (A/T/C)
University of Miami (T)
University of North Florida (C)
University of South
Florida Foundation (C)
The University of Tampa (C/T)
University of West Florida (C)

Georgia

Augusta University
Medical Center (Medical
College of Georgia) (C)

Illinois

The Art Institute of
Chicago (C)
Augustana College (A)
Aurora University (A/T)
Benedictine University (A/T)
Billy Graham Center (T)
City Colleges of Chicago (C)
Columbia College
Chicago (C/T)
Elmhurst College (C/T)
Harper College (A)
Illinois College of
Optometry (A/T)
Illinois Institute of
Technology (C/T)
Institute for the International
Education of Students (C/T)
Lake Forest College (A/C/T)
Lake Forest Graduate School
of Management (A/T)

Lincoln Land Community
College (A)

Midwestern University
(Downers Grove
campus) (C/T)

Moody Bible Institute (A/C/T)

North Central College (A/T)

Northeastern Illinois
University (C)

Northern Illinois University (C)

Northwestern Memorial
Hospital (C)

Roosevelt University (A/C/T)

Rosalind Franklin
University of Medicine
and Science (A/C/T)

Rush University
Medical Center (C)
South Suburban College (A)
South Suburban College
Foundation (A)
TCS Education System (C)
Triton College (A)
The University of Chicago
Medical Center (C)
University of Illinois
at Chicago (C)
University of Illinois
Medical Center (C)
Wheaton College (T)
Wheaton College Alumni
Association (T)

Indiana

Ball State University (C)
Culver Educational
Foundation (A/T)
DePauw University (A/C/T)
Franklin College (A/C/T)
Goshen College (A/T)
Indiana University (C)
Ivy Tech Community College
(14 regional institutions) (C)
Manchester University (A)
Purdue Research
Foundation (A/T)
Saint Mary's College (A/T)
University of
Indianapolis (A/T)
University of Notre Dame (C)

Iowa

University of Iowa (C)

Kansas

University of Kansas Campus
Development Corporation (A)
University of Kansas Center
for Research, Inc. (A/T)
University of Kansas
Hospital (C)
University of Kansas
Memorial Corporation (A/T)

Kentucky

Appalachian College
Association (A)
Berea College (A/T/C)

Cooperative Center for
Study Abroad (A)
Eastern Kentucky
University (A/T)
Frontier Nursing
University (A/C/T)
Kentucky Community and
Technical College System (A)
Kentucky Community
and Technical College
System Foundation (A/T)
Kentucky Institute for
International Studies (A)
Kentucky State University (A)
The Southern Baptist
Theological Seminary (A/T)
Spalding University (A/C/T)
University of Louisville (T)
Western Kentucky
University (A/T)

Louisiana

Tulane University (C/T)

Maryland

Johns Hopkins University (C)

Massachusetts

Massachusetts Institute
of Technology (C)
President and Fellows
of Harvard College (C)
Tufts University (C)

Michigan

Kellogg Community
College (C)
Southwestern Michigan
College (C)
University of Michigan (C)

Minnesota

University of Minnesota
Medical Center, Fairview (C)

Mississippi

University of Mississippi
Medical Center (C)

Missouri

Columbia College (T)
Washington University
in St. Louis (C)

New Jersey

Bloomfield College (A/T/C)
Rutgers University (C)

New York

Columbia University (C)
Manhattan School of Music (A/T)
Mount Saint Mary College (A/T)
Rochester Institute of Technology (C/T)
Saint John's University (C)
Syracuse University (C)
Yeshiva University (C)

North Carolina

Duke University Health System (C)
Elon University (C)
Wake Forest Baptist Health (C)
WakeMed Health & Hospitals (C)

Ohio

Bowling Green State University Foundation (A/T)
Capital University (C)
Case Western Reserve University (C)
Central Ohio Technical College (A)
Central State University (A)

Central State University Foundation (C)

Cincinnati Christian University (C)

Kent State University Foundation (A/C)

Marietta College (A/C/T)

Mount Vernon Nazarene University (A/T)

Muskingum University (A)

Ohio Dominican University (A/T)

The Ohio State University (C)

Ohio University Foundation (T)

Otterbein University (A/T)

Pontifical College Josephinum (A/C)

Sinclair Community College Foundation (A)

Trinity Lutheran Seminary (A)

University of Dayton (T/C)

University of Findlay (A/T)

University of Rio Grande (A/C/T)

Wright State University Foundation (T)

Youngstown State University (A/C)

Pennsylvania

Drexel University (C)
St. Luke's University Health Network (C)

Temple University (C)

University of Pennsylvania Health System (C)

South Carolina

Medical University of South Carolina (C)

Tennessee

Belmont University (A/T)

The University of Tennessee (C/T)

Vanderbilt University (C/T)

Texas

Baylor University (C)

Baylor University Medical Center (C)

Rice University (C)

Texas Christian University (C)

Texas Tech University (C)

Trinity University (C/T)

The University of Texas Medical Branch (C)

The University of Texas Southwestern Medical Center (C)

The University of Texas System (C/T)

Vermont

Bennington College (A/C)

University of Vermont Medical Center (C)

Virginia

College of William & Mary (C)
University of Virginia Medical Center (C)

Washington

Cascadia College (C)
Whitman College (C)

Washington, D.C.

Georgetown University (C)
The George Washington University (C)
Howard University (C)

West Virginia

Bethany College (A/T/C)
Wheeling Jesuit University (C)

Wisconsin

Froedtert & Medical College of Wisconsin (C)
University of Wisconsin Foundation (C)

Contact Information

Nicole Bencik
Partner
+1 312 899 8411
nicole.bencik@crowehorwath.com

Pete Ugo
Partner
+1 317 208 2509
pete.ugo@crowehorwath.com



As one of the largest public accounting and consulting firms in the United States, Crowe Horwath LLP serves more than 150 four-year degree institutions, community colleges, and seminaries across the country. With more than 25 years of industry specialization, we understand the unique challenges educational institutions face and are recognized for our industry thought leadership and key technology systems. As a NACUBO Distance Learning Studio and a NACUBO Corporate Circle sponsor, Crowe supports the NACUBO mission to "define excellence in higher education business and financial management."

About Us

Crowe Horwath LLP is one of the largest public accounting, consulting, and technology firms in the United States. Our dedicated professionals create value for our clients by connecting deep industry knowledge with innovative technology, while maintaining a commitment to independence, integrity, and objectivity. By listening to our clients, we learn about their businesses and the unique challenges they face. We forge each relationship with the intention of delivering exceptional client service while upholding our core values and strong professional standards. We invest in tomorrow because we know smart decisions build lasting value for our clients, people, and profession.