

June 19, 2018

Brenda K. Hasler, CPA  
Financial Services Director  
City of Maricopa, Arizona  
39700 West Civic Center Plaza  
Maricopa, Arizona 85138

Re: Quotation for renewal of audit services - Fiscal Year 2018

Dear Ms. Hasler:

Attached is our firm's quotation for the audit of the year ending June 30, 2018. The amounts presented are a "not to exceed" fee and include all travel and other expenses. This quotation includes the services described in the City's *Request for Proposals for Professional Auditing Services RFP: 13FIN041013* and is in accordance with the terms and conditions of the City of Tucson Contract #171651 Audit Services.

In order to ensure that we continue to provide the quality staff and level of service expected by the City our proposed fee increased from the prior year. Our proposed fee continues to include a discount from our standard rates. Please note the following changes to reporting standards have impacted the scope of the financial statements audit.

- Accounting and reporting of pensions provided by ASRS/PSPRS, 2015
- Fair value reporting for investments, 2016
- Tax abatement disclosures, 2017
- Accounting and reporting of other postemployment benefits provided by ASRS/PSPRS, 2018

The fees do not include additional time required for expansion of the scope of the audit due to changes, subsequent to the date of this quotation, in audit and/or reporting requirements that increase the scope of work. Such changes would be discussed with the City in advance.

If you have any questions regarding the change of scope of services or require additional information, please feel free to contact me at (520) 903-6865 or [corey.arvizu@heinfeldmeech.com](mailto:corey.arvizu@heinfeldmeech.com).

Sincerely,



Corey Arvizu  
Managing Partner

**City of Maricopa**  
**Audit Services Scope of Work**  
**Fiscal Year Ended 2018**

Heinfeld, Meech & Co. will provide the following deliverables within the scope of services provided under this proposal, as applicable.

- An independent auditor’s report on the City’s financial statements in conformity with accounting principles generally accepted in the United States of America
- An independent auditor’s report on compliance and on internal control over financial reporting in accordance with *Government Auditing Standards*
- An independent auditor’s report on compliance with requirements and internal control over compliance in accordance with Uniform Guidance
- A schedule of findings, recommendations and questioned costs
- Letter of recommendations to management
- An independent accountant’s report on the Annual Expenditure Limitation Report
- An independent accountant’s report on use of HURF monies compliance
- Draft financial statements and related supplementary information in accordance with reporting standards and the GFOA CAFR program requirements

The schedule of professional fees for the services outlined above is as follows.

Description	Hours	Total (\$)
Audit of Basic Financial Statements	285	34,450
Annual Expenditure Limitation Report	10	1,415
HURF Audit Report	10	1,195
Drafting of Financial Statements	40	4,865
Single Audit	30	3,775
Professional services discount		(4,000)
<b>Total</b>	<b>375</b>	<b>\$ 41,700</b>

Description	Hourly Rate	Hours	Total (\$)
Partner	225	20	4,500
Manager	150	35	5,250
Senior (Lead)	125	185	23,125
Staff	95	135	12,825
Professional services discount			(4,000)
<b>Total</b>		<b>375</b>	<b>\$ 41,700</b>

If requested, the total all-inclusive fees for the subsequent two years are as follows.

Total All-Inclusive Fees	Total (\$)
Fiscal year ended June 30, 2019	42,750
Fiscal year ended June 30, 2020	44,000