

Request For Proposal

Issued by:

Office of the State Auditor
Jackson, Mississippi

Stephanie Palmertree

Director, Financial and Compliance Division

Submitted by:

Wolfe, McDuff & Oppie, P.A.
EIN: 64-0891412
3103 Pascagoula Street
Pascagoula, Mississippi 39567

Michelle Oppie Gist, CPA

Managing Partner



Wolfe • McDuff & Oppie

CERTIFIED PUBLIC ACCOUNTANTS

(A Professional Association)

Michelle Oppie Gist, CPA

Kyriaki Jessica Martin, CPA

Julia Whitley Johnson, CPA

Jesse J. Wolfe, CPA (1927-2009)

Grover B. McDuff, CPA (1923-2016)

Jack A. Oppie, CPA (1960-2014)

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April 16, 2018

Stephanie Palmertree
Office of the State Auditor
501 North West Street
Suite 801
Jackson, MS 39201

Re: Audit Proposal for the audit of Pat Harrison Waterway District for the year ending June 30, 2018

Dear Ms. Palmertree:

Pursuant to your request, we have prepared a proposal to perform an audit of the Pat Harrison Waterway District for the year ending June 30, 2018. We have enclosed two original copies of our proposal, which contains information about our firm, its history, its staff and its credentials. If you would like additional copies or to discuss our proposal in depth, please do not hesitate to give me a call.

I look forward to hearing from you.

Sincerely,

Michelle Oppie Gist, CPA
Managing Partner

Membership in:

American Institute of Certified Public Accountants • Mississippi Society of Certified Public Accountants
AICPA Governmental Audit Quality Center • AICPA Center for Audit Quality • AICPA Employee Benefit Plan Audit Quality Center



America Counts on CPAs

SUMMARY OF PROPOSAL

Wolfe, McDuff & Oppie, P.A. will audit the financial statements of the Pat Harrison Waterway District as of and for the year ending June 30, 2018 in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Pertinent information about our proposal is summarized below.

TOTAL AUDIT FEE FOR ONE-YEAR CONTRACT	<u>\$ 12,000</u>
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AUDIT FEE FOR A THREE-YEAR CONTRACT:

YEAR 1 – June 30, 2018	\$19,000
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YEAR 2 – June 30, 2019	\$18,000
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YEAR 3 – June 30, 2020	\$18,000
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The above fee is contingent on District employees preparing all cash or other confirmations we request and gathering information and/or invoices selected by us for testing. The start date of the audits are contingent upon all audit adjustments associated with fiscal year ended June 30, 2017 being posted, all accounts being reconciled, and a complete and final trial balance being ready.

SINGLE AUDIT

The fees above are based on the assumption that federal funds expended during the fiscal year will not exceed \$750,000.

We are pleased to be members of



FIRM PROFILE

WOLFE, McDUFF & OPIE, P.A.

Pascagoula, Mississippi

The accounting firm of Wolfe, McDuff & Oppie, P.A. has provided auditing, accounting, and tax services to clients throughout southern Mississippi for more than fifty years. We are licensed by the Mississippi State Board of Public Accountancy. We are independent of the Pat Harrison Waterway District as defined by generally accepted auditing standards generally accepted in the United States of America and *Government Auditing Standards*. We are a firm with a diversified client base, including entities in the following industries:

Financial services Leasing
Government
Not-for-profit
Construction
Real estate

Health care
Retail outlets
Manufacturing
Retail outlets
Professional services

Wolfe, McDuff & Oppie, P.A. has more than 30 years of governmental and non-profit organization auditing experience. Listed below are governmental units and non-profit organizations which we have provided accounting and auditing services (* indicates an audit performed in accordance with the Single Audit Act):

Jackson-George Regional Library System
Greenwood-Leflore Public Library System
Bolivar County Library System
United Way of Jackson and George Counties
Boys and Girls Club of Jackson and George Counties
Home of Grace Corporation
Bacot/McCarty Foundation
Pascagoula School District *
Jackson County School District *
Biloxi School District *
Gulfport School District *
Bay-Waveland School District *
George County School District *
City of Pascagoula *
City of Long Beach *
City of Ocean Springs *
City of Gautier *
City of Moss Point*
City of Bay St. Louis *
Jackson County, Mississippi *
Jackson County Utility Authority *

Jackson County Port Authority *
Land Trust for the Mississippi Coastal Plain *
Mississippi Coastal Trauma Care Region
Jackson County Emergency Communications
Health and Handicapped Services
Jackson County Kidney Foundation
Jackson County Fire District
District Attorney's Worthless Check Unit
Ocean Springs Chamber of Commerce
Helena Utility District
Harrison County Long Term Recovery Coalition
Singing River Mental Health/Mental Retardation
Pascagoula Housing Authority *
Jackson County Airport Authority
Mississippi Law Enforcement Officers Association
Gulfport-Biloxi Regional Airport Authority
La-Pointe Krebs Foundation
First United Methodist Church of Pascagoula
First Baptist Church of Pascagoula
Gautier Utility District

Wolfe, McDuff & Oppie, P.A. participates in the AICPA's Peer Review Program. Our most recent Quality Review was completed in May 2017, for which we received a rating of *pass*. Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act. All auditing professionals employed by Wolfe, McDuff & Oppie, P.A. have met continuing professional education requirements, including those prescribed by *Government Auditing Standards*.

AICPA GOVERNMENTAL AUDIT QUALITY CENTER

Wolfe, McDuff, & Oppie is a member of the American Institute of Certified Public Accountants (AICPA) Governmental Audit Quality Center. As part of our Center membership requirements and our commitment to quality, Michelle Oppie Gist has been named the firm's designated partner in charge of ensuring the quality of our governmental and not-for-profit organizations (NPO) audit services, particularly our services performed under *Government Auditing Standards* and the Uniform Guidance.

At Wolfe, McDuff, & Oppie, we are committed to achieving the highest quality and most efficient audits possible with our specialized team of auditors. We have over thirty years of experience in performing governmental and NPO audits.

We have joined the Governmental Audit Quality Center to gain access to comprehensive resources that will assist us in further enhancing the quality of your governmental audit. The Center membership will provide us timely information on a variety of technical, legislative and regulatory subjects that we can in turn apply to your audit to help ensure compliance with the appropriate standards and changes in regulations.

By joining the Center, we have committed to adhere to the highest quality standards by voluntarily agreeing to the Center membership requirements, which include designating a partner responsible for the quality of our governmental and NPO audit practice, establishing quality control programs, performing annual internal inspection procedures, and making our peer review findings publicly available.

Governmental Audit Quality Center membership allows us to continue our quality initiatives within our governmental and NPO audit practice and demonstrates our continued commitment to deliver the most efficient quality audit possible.

Wolfe, McDuff & Oppie is organized as a professional association, incorporated in the state of Mississippi, located at 3103 Pascagoula Street, Pascagoula, Mississippi. The firm is also a member of the AICPA's Center for Audit Quality.

CREDENTIALS OF INDIVIDUAL FIRM MEMBERS

Our audit of the Pat Harrison Waterway District will be managed and supervised by Michelle Oppie Gist, CPA. The audit fieldwork is expected to be completed by Jessie Martin, CPA, Julia Johnson, CPA, and staff auditors. The individual credentials and qualifications of these auditors are listed below:

MICHELLE OPPIE GIST, CPA

Mrs. Gist is an audit partner at the accounting firm of Wolfe, McDuff & Oppie, P.A. and has over Fourteen years of audit and accounting experience. She graduated from The University of Southern Mississippi, where she received her Bachelor of Business Administration in Accounting and her Master of Business Administration (MBA). She is a Certified Public Accountant and licensed in the states of Mississippi and North Carolina. She is a member of the American Institute of Certified Public Accountants, the Mississippi Society of Certified Public Accountants, North Carolina Association of Certified Public Accountants, and Beta Alpha Psi - the national accounting fraternity. Her audit and accounting experience has primarily been in the areas of non-profit organizations, governmental units, employee benefit plans, financial institutions, and manufacturing and distribution. Mrs. Gist has met all continuing professional education requirements of the Mississippi State board of Public Accountancy, the North Carolina State Board of CPA Examiners, and the *Government Auditing Standards*.

K. JESSICA MARTIN, CPA

Mrs. Martin is an auditor at the accounting firm of Wolfe, McDuff & Oppie, P.A. and has over nine years of audit and accounting experience. She graduated from The University of Southern Mississippi, where she received her Bachelor of Business Administration in Accounting. She is a Certified Public Accountant and licensed in the state of Mississippi. She is a member of the American Institute of Certified Public Accountants, the Mississippi Society of Certified Public Accountants, and Beta Alpha Psi - the national accounting fraternity. Her audit and accounting experience has primarily been in the areas of non-profit organizations, governmental units, employee benefit plans, and manufacturing and distribution. Mrs. Martin has met all continuing professional education requirements of the Mississippi State board of Public Accountancy and the *Government Auditing Standards*.

JULIA W. JOHNSON, CPA

Mrs. Johnson is an auditor at the accounting firm of Wolfe, McDuff & Oppie, P.A. and has over three years of audit and accounting experience. She graduated from The University of South Alabama, where she received her Bachelor of Business Administration in Accounting and Finance. She is a Certified Public Accountant and licensed in the state of Mississippi. She is a member of the American Institute of Certified Public Accountants, the Mississippi Society of Certified Public Accountants, and Beta Gamma Sigma- the international honor's society. Her audit and accounting experience has primarily been in the areas of non-profit organizations, governmental units, employee benefit plans, and financial institutions. Mrs. Johnson has met all continuing professional education requirements of the Mississippi State board of Public Accountancy and the *Government Auditing Standards*.

UNDERSTANDING OF AUDIT SCOPE

Our understanding of the services to be provided to the Pat Harrison Waterway District are as follows:

We will audit the government-wide financial statements and the individual fund financial statements of the Pat Harrison Waterway District as of and for the year ending June 30, 2018. Also, the documents we submit to you will include a Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* that will be subjected to the auditing procedures applied in our audits of the governmental financial statements.

Our audit will be conducted in accordance with generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Pat Harrison Waterway District and other procedures we consider necessary to enable us to express an unmodified opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles.

We understand that all accounts will have been adjusted and reconciled prior to the start of our audit. Our quoted fees and time estimates do not include providing assistance with reconciliations, conversion to accrual-method, or other routine accounting functions. Additional accounting and auditing services can be performed, provided they do not impair the firm's independence, and will be billed at our standard hourly rates.

Wolfe, McDuff & Oppie
DETAILED ESTIMATE OF AUDIT HOURS BY STAFF MEMBER
For the Fiscal Year Ending June 30, 2018

	PARTNER	MANAGER	SENIOR	STAFF	CLERICAL	TOTAL
SUPERVISION	8	12				20
PLANNING			6	2		8
CORRESPONDENCE			3	2		5
TRIAL BALANCE PREPARATION				4		4
PRELIMINARY ANALYTICAL REVIEW			2			2
RISK ASSESSMENT			2			2
MINUTES, CONTRACTS, ORDINANCES	2		1			3
CASH				3		3
INVESTMENTS				3		3
REVENUE, RECEIVABLES, & RECEIPTS			4	12		16
EXPENDITURES & PAYABLES			4	12		16
PROPERTY, PLANT, & EQUIPMENT			4			4
DEBT AND DEBT SERVICE				4		4
CAPITAL PROJECTS			4			4
OTHER ASSETS & LIABILITIES			8	4		12
NET ASSETS			2			2
WRAP-UP PROCEDURES	1	1	1	5		8
FINAL ANALYTICAL REVIEW	1					1
REPORT PREPARATION	4	8	2		4	18
FINAL OVERALL REVIEW	12	8				20
EXIT INTERVIEW	1					
PRESENTATION TO CLIENT	1					1
TRAVEL	2	2	2	2		8
TOTAL HOURS	32	31	45	53	4	164
Standard Billing Rate	\$ 200	135	100	70	40	
	\$ 6,400	4,185	4,500	3,710	160	
BOUND REPORTS, POSTAGE, ETC.						75
TOTAL AUDIT FEE AT STANDARD RATES						\$ 19,030



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CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

Report on the Firm's System of Quality Control

May 2, 2017

To the Partner of Wolfe, McDuff & Oppie, P.A.
and the Peer Review Committee of the Mississippi Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Wolfe, McDuff & Oppie, P.A. (the firm) in effect for the year ended December 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and an audit of an employee benefit plan.

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice Wolfe, McDuff & Oppie, P.A. in effect for the year ended December 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*. Wolfe, McDuff & Oppie, P.A. has received a peer review rating of *pass*.

Erickson, Krentel & LaPorte LLP

Certified Public Accountants