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March 8, 2019

Board of County Commissioners and County Clerk
Tulsa County
500 South Denver, Rm 120
Tulsa, OK 74103-3832

STATE OF OKLAHOMA
TULSA COUNTY
RECEIVED

To the Board of County Commissioners and the County Clerk:

Crawford & Associates, P.C. is pleased that Tulsa County (the County) continues to express its confidence in our firm and our state and local government expertise. We look forward to a continued long and successful relationship as an integral financial management resource to Tulsa County's management and governing body.

We are prepared to provide a full range of accounting and consulting services to Tulsa County contingent upon approval of your management and/or governing body. The purpose of this engagement letter is to identify the scope of available services from Crawford & Associates, the specific initial services requested at this time, and to confirm the terms, objectives, and limitations of our engagement services.

MEMORANDUM OF UNDERSTANDING

Scope of Services

The scope of professional services that are available and can be provided to Tulsa County are outlined below under the heading *Scope of Available Services*. While this listing includes a range of services available from Crawford & Associates, the specific initial services requested to be provided at the current time are separately identified under the heading *Initial Services Requested*. Any additional services that are available from Crawford & Associates beyond these initially requested services can be provided upon subsequent specific request and agreement.

Scope of Available Services

- Preparation of Annual Financial Statements
- General Accounting and Advisory Assistance
- Budget Preparation and Amendment Assistance
- Capital Asset Records and Accounting Assistance
- Information Technology System Assistance
- Internal Control Policies and Procedures Assistance
- Labor Relations Consulting
- Laws and Regulations Compliance Assistance
- Investigation of Allegations or Concerns
- Tax and Other Regulatory Report Assistance

Initial Services Requested

Preparation of certain components of the Comprehensive Annual Financial Report from internal adjusted trial balances prepared in conformity with accounting principles generally accepted in the United States of America using County-provided, prior year electronic report files. The components will include Management's Discussion and Analysis, government-wide financial statements, the reconciliation to the government-wide financial statements, and the notes to the financial statements. General Accounting and Advisory Assistance to include staff training on preparing Comprehensive Annual Financial Report

General accounting and advisory assistance to Retirement Fund personnel.

Preparation of Financial Statements for the Tulsa County Criminal Justice Authority (TCCJA) from internal adjusted trial balances prepared in conformity with accounting principles generally accepted in the United States of America using County-provided, prior year electronic report files

Preparation of Financial Statements for the Tulsa County Industrial Authority (TCIA) and preparation of adjusted trial balances prepared in conformity with accounting principles generally accepted in the United States of America using County-provided, prior year electronic report files

Services Related to the Preparation of Annual Financial Statements

You have requested that we prepare the annual financial statements of the financial reporting entity of Tulsa County, Oklahoma, the TCCJA and the TCIA as of and for the year ended June 30, 2019. Such financial statements will include:

- a. Basic Financial Statements, including notes to the financial statements
- b. Required Supplementary Information
- c. Supplementary Information (to the extent management elects to include)
- d. Other Information (to the extent management elects to include)

Crawford & Associates' Responsibilities

The objective of our engagement is to prepare the annual financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARSs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

Management Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARs:

- a. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements
- b. The prevention and detection of fraud
- c. To ensure that the entity complies with the laws and regulations applicable to its activities
- d. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements
- e. To provide us with:
 - i. Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,
 - ii. Additional information that may be requested for the purpose of the preparation of the financial statements, and
 - iii. Unrestricted access to persons within the Tulsa County, Oklahoma, of whom we determine necessary to communicate.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

Other Requested and Available Services

In conjunction with the other requested and available services (other than the preparation of the annual financial statements) as identified in the Scope of Services section of this letter, Crawford & Associates will be responsible for providing such services upon request in accordance with the applicable professional standards of the AICPA. It is anticipated that most if not all of these other services will be performed in accordance with the standards applicable to consulting services as prescribed by the AICPA.

Crawford & Associates, is not obligated to, but may report or otherwise communicate to management any recommendations, it determines necessary, resulting from the professional services provided.

Management and the governing body will be responsible for establishing the scope of our other professional services to be provided and for providing the necessary resources allocated to the work; such responsibility includes determining the nature, scope, and extent of the services to be performed, providing sufficient appropriation for the estimated cost of these services, providing overall direction and oversight for each service, and reviewing and accepting the results of the work.

Access to Working Papers and Reports

Any working papers prepared by Crawford & Associates in connection with performing the financial statement preparation and other professional services are the property of Crawford & Associates. Upon request, copies of any or all working papers and reports that we consider to be nonproprietary will be provided to management. Management may make such copies available to its external auditors and to certain regulators in the exercise of their statutory oversight responsibilities. Such copies may not be made available to any other third party without the prior written consent from Crawford & Associates.

Fees and Costs

Fees and out-of-pocket expenses for this engagement will be billed as the work progresses and payable upon receipt of our invoices. Out-of-pocket expenses include such costs incurred by Crawford & Associates in providing the services including travel, lodging, telecommunications, printing, document reproduction, and the like. Our fees for these services will be billed at our standard hourly rates, as follows, for the individual performing such services based on the actual number of hours of work, including travel time, performed by that individual.

Standard Hourly Rates:

- Firm President \$250
- Shareholders \$165
- Consulting Senior Managers \$150
- Consulting Managers \$125
- Consulting Staff \$110
- Clerical Staff \$45

We will perform the requested services for a not-to-exceed fee of \$70,000. However if circumstances warrant additional time, such as insufficient internal records, or a request for services outside the scope of this memorandum, the parties to the memorandum may choose to extend the engagement at the aforementioned hourly rates, or negotiate a separate memorandum of understanding. We will rely on you to provide us with a copy of approved purchase orders, containing estimated fees and expenses, monitor the cumulative fees and expenses charged, and notify us if and when the cumulative amount approaches the total appropriated level estimated. You also agree to provide sufficient appropriation for all services requested prior to the services being performed.


The term of this engagement is a period from July 1, 2019 through June 30, 2020. Crawford & Associates may perform additional services upon receipt of a formal request from management or the governing body with terms and conditions that are acceptable to both parties.

The agreements and undertakings contained in this engagement letter, shall survive the completion or termination of this engagement.

Acceptance

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. A duplicate copy of this engagement letter is provided for your records. We look forward to continuing our professional relationship with Tulsa County.

Respectfully submitted and agreed to by,



Frank Crawford
Crawford and Associates, P.C.

Accepted and agreed to for Tulsa County:

By: _____

Title: _____

Date: _____



**APPROVED AS TO FORM
ASSISTANT DISTRICT ATTORNEY**