

AGREEMENT BETWEEN  
OFFICE OF AUDITOR OF STATE  
AND  
FALLER, KINCHELOE & CO, PLC

THIS AGREEMENT made and entered into this 20th day of May, 2022,  
by and between the Office of Auditor of State, hereinafter called "Auditor" and  
Faller, Kincheloe & Co, PLC, hereinafter called "CPA".

WHEREAS, the Auditor is required by law to provide for the periodic examination of all  
cities, including separate municipal utilities, in the state meeting the requirements for a periodic  
examination; and

WHEREAS, the Auditor wishes to obtain the services of the CPA to perform periodic  
examinations of the cities of Clearfield, Cromwell, Derby, Macksburg and Nodaway and the  
following separate Municipal Utilities (None) for the 12 months ending March 31, 2022; and

WHEREAS, the CPA is equipped and staffed to assist in the above examinations; and

WHEREAS, this agreement is in the best interest of the public in fulfilling the  
requirements of Chapter 11 of the Code of Iowa.

NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED:

1. The CPA will:

- A. Provide a list of various classifications and the estimated hours by  
classification as detailed in this agreement.
- B. Agree to not contact the cities subject to examination under this agreement  
prior to two weeks before the start of each examination.
- C. Begin work on the examinations as specifically agreed upon with the  
Auditor.
- D. Perform all work in accordance with the attestation standards for agreed-upon  
procedures engagements issued by the American Institute of Certified Public  
Accountants, the standards for attestation engagements contained in  
Government Auditing Standards, issued by the Comptroller General of the  
United States, and the agreed-upon procedures program guide prepared by the  
Office of Auditor of State.
- E. Provide access to the working papers to the Auditor and/or the Auditor's  
designee for five (5) years after issuance of the examination reports.
- F. Examine previously unidentified Municipal Utilities and provide follow up  
with the cities, including separate Municipal Utilities, as requested and

agreed to by the CPA and the Auditor, regarding the status of implementation of the examination recommendations.

2. Conditions of Payment:

- A. It is understood the fees for the services set forth above shall be reimbursed at the following hourly rates:



<u>Classification</u>	<u>Hourly Rate</u>
Partner	\$120
Manager	\$100
Senior	\$80
Staff	\$60

- B. The CPA shall submit one (1) invoice for services detailing the hours by staff classification for each examination report. Charges for reasonable and necessary expenses shall be shown separately for each agreed-upon procedures report.
- C. Payment shall be made within 30 days of receipt of invoice.
- D. The total reimbursement shall not be for more than \$15,500 for the cities of Clearfield, Cromwell, Derby, Macksburg and Nodaway, except as specifically agreed by the Auditor of State and the CPA.

3. Termination of Agreement:

- A. The contract may be terminated at any time by mutual agreement of both parties.
- B. The Auditor may terminate this contract without notice if the CPA fails to perform the covenants or agreements contained herein.
- C. The CPA shall be paid for all work satisfactorily performed to the date of termination.

IN WITNESS THEREOF, the Auditor and the CPA have executed this AGREEMENT as of the dates indicated below:

<u>CPA</u>	<u>AUDITOR OF STATE</u>
By: 	By: 
Title: <u>PARTNER</u>	Title: <u>Director</u>
Date: <u>5/20/2022</u>	Date: <u>6/14/22</u>