



March 24, 2022

Town of Tyrone, Georgia
Attn: Sandy Beach, Finance Manager
Via E-Mail: sbeach@tyrone.org

RE: ARPA Reporting and Compliance Consulting Engagement Letter

Dear Ms. Beach:

We are pleased to provide the Town of Tyrone, Georgia (the Government) with reporting and compliance consulting services related to the Government's Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) from the American Rescue Plan Act (ARPA). This letter confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide as it relates to assistance with the Government's reporting of its CSLFRF funds and internal compliance and accountability. This engagement between you and our firm will be governed by the terms of this letter.

Engagement Objectives

You have requested that we perform ARPA CSLFRF reporting and compliance consulting services as described below:

- Preparation of all required reports through the United States Treasury's online portal for the Government's use of ARPA CSLFRF funds in accordance with the Government's plan to elect the standard allowance for revenue replacement for the use of 100% of the ARPA CSLFRF award.
- Assistance in the development of an official accounting policy or internal memo related to the Government's planned usage of the economic impact of the ARPA CSLFRF funds.
- Assembly of a final audit package related to the usage of the ARPA CSLFRF funds that can be provided to your auditors for single audit purposes.

Your Responsibilities

In order for us to perform the above services, we will need the following assistance:

- Assistance in establishing a member of our team as an authorized user to prepare reports through the Treasury's portal.
- Trial balance and/or general ledger reports and applicable supporting documentation, as requested.
- Final review, approval, and submittal of reports and internal policy/memo document.

The sufficiency of the consulting services we provide is solely the responsibility of the Government. Consequently, we make no representation regarding the sufficiency of the procedures to be performed. Our recommendations regarding procedures to be performed and the results of the procedures performed are dependent on the accuracy and completeness of the representations and information that we receive from your personnel. Accordingly, inaccurate or incomplete information could result in inaccurate findings or inappropriate recommendations, and critical recommendations may not be identified. Any reports we issue

to you as a result of this consulting engagement are solely intended for the use of the Government, and should not be used by anyone other than those specified parties. We will not provide any legal services.

You are responsible for ensuring compliance with all applicable ARPA and Federal guidance, and making all management decisions and responsibilities and for designating an individual, with suitable skills, knowledge, and experience to oversee any nonattest services that we provide. You are responsible for: accepting responsibility for the results of the services performed, including decisions regarding implementation of any recommendations provided by us; making all management decisions and performing all management functions; evaluating the adequacy and results of the services performed; and establishing and maintaining internal controls as well as monitor ongoing activities.

Our Responsibilities

We will perform our services in accordance with the Statement on Standards for Consulting Services and the Code of Professional conduct issued by the American Institute of Certified Public Accountants. Such services are not intended to represent an audit, examination, attestation, financial forecast or projection, special report or agreed-upon procedures engagement as those services are defined in AICPA literature applicable to such engagements. Accordingly, these services will not result in the issuance of a written communication to third parties by us regarding financial data or internal controls, expressing a conclusion, or providing any form of assurance.

The engagement is limited to the professional services outlined above. James Moore & Co., P.L., in its sole professional judgement, reserves the right to refuse to take any action that may be construed as making management decisions or performing management functions on your behalf. However, we may provide advice and recommendations to assist management in performing its functions and making decisions. Our engagement does not include any procedures designed to detect errors, fraud, or theft. Therefore, our engagement cannot be relied upon to disclose such matters.

Upon completion of our procedures, we will provide a copy of any final deliverables included in this engagement, including the final accounting policy/memo language and internal audit package for single audit purposes.

Nonattest Services

We will perform the following nonattest services: preparation of ARPA CSLFRF program reports to be submitted to the U.S. Treasury and related internal reporting package; preparation of an internal policy/memo related to the usage of such funds. With respect to any nonattest services we perform, we will not assume management responsibilities on behalf of the Government. However, we will provide advice and recommendations to assist management of the Government in performing its responsibilities. The Government's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual (Sandy Beach) to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows. We will perform the services in accordance with applicable professional standards. This engagement is limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities. Our firm may advise the Government with regard to different matters, but the Government must make all decisions with regard to those matters.

Engagement Timeline

We expect to perform these procedures in accordance with the following timeline:

- ***Upon Execution of Agreement: Project Kickoff and Planning***
 - Initial setup within the Treasury's portal to ensure proper access is available to file the required reports.
 - Submittal of client survey related to planned usage of funds, accounting policy preferences, and other key information to aid us in the development of the accounting policy/internal memo.
- ***By April 30, 2022: Filing of Initial Project and Expenditure Report***
 - Determination of usage of funds for general government expenditures to meet the applicable compliance requirements for usage of funds earned under the standard allowance for revenue replacement; expected to equal 100% of award.
 - Submittal of report.
- ***By May 31, 2022: Completion of Internal Accounting Policy/Memo and Final Audit Package***
 - Final edits of accounting policy/memo for use by the Government.
 - Completion of final audit package summarizing compliance and with supporting documentation for single audit purposes.
- ***Ongoing: Subsequent Reporting Deadlines***
 - Submittal of subsequent reports through the Treasury portal, as required, in succeeding years.

Other Engagement Terms

Zach Chalifour is the service leader for the services specified in this letter. His responsibilities include supervising James Moore & Company's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign any reports we issue to you as part of this engagement.

Our fee for these services will be \$6,900. Our services will be billed according to the following milestone schedule:

Milestones (in expected order of completion)	Percentage of Total Fee Due
At Execution of Engagement Letter	30%
Upon Filing Treasury P&E Report Due April 30, 2022	20%
Submittal of Internal ARPA Audit Package	20%
Submittal of Internal ARPA Accounting Policy/Memo	20%
Upon Completion of Final Report Due to U.S. Treasury	10%

The above fees are based upon the Government's planned usage of the \$10 million standard allowance for revenue replacement for the full ARPA CSLFRF award amount. Should the plan for use of these funds change, or additional reporting and compliance requirements not in effect at the time of this letter by instituted by the Treasury, our fees may be subject to change. In such case, no additional work shall be performed without advance discussion and approval of any additional fees.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of additional services and the estimated price. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter. While we would be more than glad to discuss a custom service plan to best meet your needs, specific services related to this engagement that may be added on at your request are as follows:


Elective Add-on Service	Fee
Presentation to Elected Officials – In Person	\$1,000 + travel costs + travel time at \$100/hour
Presentation to Elected Officials – Remote	\$750
Project Accounting & Reporting – Accounting & Final Report	\$7,500
Project Accounting & Reporting – Interim Report	\$2,000 each

This engagement letter may be terminated by either party for noncompliance with the terms as noted in this engagement letter. The parties will provide 60 days' notice of their intention to terminate the engagement. If work has been partially completed toward an identified milestone at the time of termination, a final billing shall be made based on the amount of actual time incurred.

You agree to release, indemnify, defend, and hold us harmless from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our proposal. If you have any questions, please let us know. If you agree with the terms of our proposal as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



JAMES MOORE & CO., P.L.

RESPONSE:

This letter correctly sets forth the understanding of the Town of Tyrone, Georgia.

By: _____

Title: _____

Date: _____