STATE OF NORTH CAROLINA Department of Administration Division of Purchase and Contract	**REQUEST FOR BEST AND FINAL OFFER** **NO.** DPC-646236801-MT
	Offers will be received until: November 20, 2023, by 5:00 PM ET
	Issue Date: November 17, 2023
Refer <u>ALL</u> inquiries regarding this BAFO to the procurement lead through the Events Message Board in the Sourcing Tool.	**Commodity Number:** 84111600 – Audit Services
	Description: Supplemental Internal Audit Services
	Using Agency: STATEWIDE
See page 2 for Submission Instructions	**Requisition No.:** N/A

<u>NOTICE TO VENDOR</u>: Offers submitted in response to this Best and Final Offer (BAFO) for the furnishing and delivering the goods and services described herein, subject to the conditions made a part hereof, will be received through the Sourcing Tool until 5:00 PM Eastern Time on the day of opening. Refer to page two for submission instructions. Offers submitted in any other way in response to this BAFO will not be accepted. Offers are subject to rejection unless submitted on this form.

<u>EXECUTION</u>: In compliance with this Request for BAFO, along with the terms and conditions in the original solicitation, as maybe modified herein, the undersigned offers and agrees to furnish any or all goods and services which are offered, at the prices agreed upon and within the time specified herein. Pursuant to GS §143-54 and §143-59.2 and under penalty of perjury, the undersigned Vendor certifies that this offer has not been arrived at collusively or otherwise in violation of Federal or North Carolina law and this offer is made without prior understanding, agreement, or connection with any firm, corporation, or person submitting an offer for the same commodity, and is in all respects fair and without collusion or fraud.

Failure to execute/sign offer prior to submittal shall render offer invalid. Late offers will not be accepted.

VENDOR: Weaver and Tidwell, L.L.P.	EMAIL: alyssa.martin@weaver.com	
STREET ADDRESS: 4400 Post Oak Parkway, Suite 1100	P.O. BOX: N/A	ZIP: 77027
CITY & STATE & ZIP: Houston, TX 77027	TELEPHONE NUMBER: 832.320.7975	TOLL FREE TEL. NO: 800.332.7952
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: Alyssa Martin, CPA | National Strategy Leader, Large Market & Public Entities	FAX NUMBER: 713.850.1673	
AUTHORIZED SIGNATURE: Alyssa Martin	DATE: November 20, 2023	

Offer valid for ninety (90) calendar days from date of opening unless otherwise stated here: 90 days.

<u>ACCEPTANCE OF OFFER</u>: If the State accepts any or all parts of this offer, an authorized representative of the Agency shall affix his/her signature to the Vendor's response to this Request for BAFO. The acceptance shall include the response to this BAFO, any provisions and requirements of the original Solicitation which have not been superseded herein, and the North Carolina General Terms and Conditions. These documents shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful Vendor(s).

<u>FOR STATE USE ONLY:</u> Offer accept and Contract awarded this **30th** day of November, **2023**, as indicated on the attached certification, by PandC - Melinda Tomlinson

(Authorized Representative of Division of Purchase and Contract)

SUBMISSION INSTRUCTIONS: Vendor shall submit its offer through the Sourcing Tool. Any files submitted shall not be password protected and shall be capable of being copied to other media.

REQUEST FOR BEST AND FINAL OFFER (BAFO):

This request is to solicit a best and final offer from Vendor for Supplemental Internal Audit, Assurance, Data Analytics, and Managerial Advisory Services. The offer should integrate the previous response to the Solicitation and any changes listed below. Any individual Vendor may receive a different number of BAFO requests than other Vendors.

NOTE: This Solicitation is still in the evaluation period. During this period and prior to award, possession of the BAFO, original bid response, and accompanying information is limited to personnel of the Issuing Agency and any agencies responsible for participating in the evaluation. Vendors who attempt to gain this privileged information, or to influence the evaluation process (i.e., assist in evaluation), will be in violation of purchasing rules and their offer will not be further evaluated or considered.

Specific requests begin on the next page. Vendor may copy requests onto additional pages, as needed, to provide sufficient space for its response.

1.0 IT SECURITY SPECIFICATIONS

1.1 FOR SOLUTIONS HOSTED ON STATE INFRASTRUCTURE

For Vendors who only want to be considered for Agency solutions hosted on State Infrastructure, those Vendors shall provide a completed Vendor Readiness Assessment Report State Hosted Solutions ("VRAR") as soon as possible after receipt of this BAFO. This report is located at the following website:

https://it.nc.gov/documents/vendor-readiness-assessment-report

The Supplemental Internal Audit Services vendors will be required to receive and securely manage data that may be classified as high as Statewide Critical - High. Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding this data classification. The policy is located at the following website: https://it.nc.gov/document/statewide-data-classification-and-handling-policy

Vendor must submit the completed form to ESRMO.Security.Reviews@nc.gov. Vendors must reference the RFP# DPC-646236801-MT STC Supplemental Internal Auditing Services.

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls.

1.2 FOR SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

For Vendors who want to be considered for Agency solutions hosted on State AND Vendor Infrastructure, those Vendors shall comply with the requirements of this section. Specifically, the Supplemental Internal Audit Services vendors will be required to receive and securely manage data that is classified as high as Statewide Critical - High. Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding data classification. The policy is located at the following website: https://it.nc.gov/document/statewide-data-classification-and-handling-policy.

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls. This requirement additionally applies to all Vendor-provided, agency-managed Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted) data.

(a) Vendors shall provide a completed Vendor Readiness Assessment Report Non-State Hosted Solutions ("VRAR") as soon as possible after receipt of this BAFO. This report is located at the following website: https://it.nc.gov/documents/vendor-readiness-assessment-report

(b) Vendors shall also provide, upon receipt of this BAFO, a current independent 3rd party assessment report in accordance with the following subparagraphs (i)-(iii). Contract award will be dependent upon approval of the report as defined in subparagraphs (i)-(iii).

(i) Federal Risk and Authorization Management Program (FedRAMP) certification, SOC 2 Type 2, ISO 27001, or HITRUST are the preferred assessment reports for any Vendor solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted).

(ii) A Vendor that cannot provide a preferred independent 3rd party assessment report as described above may submit an alternative assessment, such as a SOC 2 Type 1 assessment report. The Vendor shall provide an explanation for submitting the alternative assessment report. If awarded this contract, a Vendor who submits an alternative assessment report shall submit one of the preferred assessment reports no later than 365 days of the Effective Date of the contract. Timely submission of this preferred assessment report shall be a material requirement of the contract.

(iii) An IaaS vendor cannot provide a certification or assessment report for a SaaS provider UNLESS permitted by the terms of a written agreement between the two vendors and the scope of the IaaS certification or assessment report clearly includes the SaaS solution.

(c) Additional Security Documentation. Prior to contract award, the State may in its discretion require the Vendor to provide additional security documentation, including but not limited to vulnerability assessment reports and penetration test reports. The awarded Vendor shall provide such additional security documentation upon request by the State during the term of the contract.

Vendor must submit the completed form to ESRMO.Security.Reviews@nc.gov. Vendors must reference the RFP# DPC-646236801-MT STC Supplemental Internal Auditing Services.

1.3 LOCATION OF WORKERS UTILIZED BY VENDOR

In accordance with N.C.G.S. §143B-1361(b), Vendor must identify how it intends to utilize resources or workers located outside the U.S., and the countries or cities where such are located. The State will evaluate additional risks, costs, and other factors associated with the Vendor's utilization of resources or workers prior to making an award for any such Vendor's offer. The Vendor shall provide the following:

a) The location of work to be performed by the Vendor's employees, subcontractors, or other persons, and whether any work will be performed outside the United States. The Vendor shall provide notice of any changes in such work locations if the changes result in performing work outside of the United States.

b) Any Vendor or subcontractor providing support or maintenance Services for software, call or contact center Services shall disclose the location from which the call or contact center Services are being provided upon request.

Will Vendor perform any work outside of the United States? ☑ YES ☐ NO

*Our India resources perform all work within virtual desktops that are hosted within the U.S. Any applications accessed from these virtual desktops are also hosted in the U.S.

If **YES**, please indicate below:
a) where the work will be performed: India*
b) what type of work is being performed (Help Desk, Coder, etc.): Professional Services
c) what type of work that employee performs (help desk support, coding, etc.): Professional Services

2.0 TERMS AND CONDITIONS APPLICABLE TO AUDITING SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

a) All materials, including software, Data, information and documentation provided by the State to the Vendor (State Data) during the performance or provision of Services hereunder are the property of the State of North Carolina and must be kept secure and returned to the State. The Vendor will protect State Data in its hands from unauthorized disclosure, loss, damage, destruction by natural event, or other eventuality. Proprietary Vendor materials shall be identified to the State by Vendor prior to use or provision of Services hereunder and shall remain the property of the Vendor. Derivative works of any Vendor proprietary materials prepared or created during the performance of provision of Services hereunder shall be provided to the State as part of the Services. The Vendor shall not access State User accounts, or State Data, except (i) during data center operations, (ii) in response to service or technical issues, (iii) as required by the express terms of this contract, or (iv) at State's written request. The Vendor shall protect the confidentiality of all information, Data, instruments, studies, reports, records and other materials provided to it by the State or maintained or created in accordance with this Agreement. No such information, Data, instruments, studies, reports, records and other materials in the possession of Vendor shall be disclosed in any form without the prior written agreement with the State. The Vendor will have written policies governing access to and duplication and dissemination of all such information, Data, instruments, studies, reports, records and other materials.

b) The Vendor shall not store or transfer non-public State data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State of North Carolina data remotely only as required to provide technical support.

c) Protection of personal privacy and sensitive data. The Vendor acknowledges its responsibility for securing any restricted or highly restricted data, as defined by the Statewide Data Classification and Handling Policy (https://it.nc.gov/document/statewide-data-classification-and-handling-policy) that is collected by the State and stored in any Vendor site or other Vendor housing systems including, but not limited to, computer systems, networks, servers, or databases, maintained by Vendor or its agents or subcontractors in connection with the provision of the Services. The Vendor warrants, at its sole cost and expense, that it shall implement processes and maintain the security of data classified as restricted or highly restricted; provide reasonable care and efforts to detect fraudulent activity involving the data; and promptly notify the State of any breaches of security within 24 hours of confirmation as required by N.C.G.S. § 143B-1379.

d) The Vendor will provide and maintain secure backup of the State Data. The Vendor shall implement and maintain secure passwords for its online system providing the Services, as well as all appropriate administrative, physical, technical and procedural safeguards at all times during the term of this Agreement to secure such Data from Data Breach, protect the Data and the Services from loss, corruption, unauthorized disclosure, and the introduction of viruses, disabling devices, malware and other forms of malicious or inadvertent acts that can disrupt the State's access to its Data and the Services. The Vendor will allow periodic back-up of State Data by the State to the State's infrastructure as the State requires or as may be provided by law.

e) The Vendor shall certify to the State:
   i) The sufficiency of its security standards, tools, technologies and procedures in providing Services under this Agreement;
   ii) That the system used to provide the Subscription Services under this Contract has and will maintain a valid 3rd party security certification not to exceed 1 year and is consistent with the data classification level and a security controls appropriate for low or moderate information system(s) per the National Institute of Standards and Technology NIST 800-53 revision 4The State reserves the right to independently evaluate, audit, and verify such requirements.
   iii) That the Services will comply with the following:
      (1) Any DIT security policy regarding Cloud Computing, and the DIT Statewide Information Security Policy Manual; to include encryption requirements as defined below:
         (a) The Vendor shall encrypt all non-public data in transit regardless of the transit mechanism.
         (b) For engagements where the Vendor stores sensitive personally identifiable or otherwise confidential information, this data shall be encrypted at rest. Examples are social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords. The Vendor's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology FIPS140-2, Security Requirements. The key location and other key management details will be discussed and negotiated by both parties. When the Service Provider cannot offer encryption at rest, it must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach. Additionally, where encryption of data at rest is not possible, the Vendor must describe existing security measures that provide a similar level of protection;
      (2) Privacy provisions of the Federal Privacy Act of 1974;
      (3) The North Carolina Identity Theft Protection Act, N.C.G.S. Chapter 75, Article 2A (e.g., N.C.G.S. § 75-65 and -66);
      (4) The North Carolina Public Records Act, N.C.G.S. Chapter 132; and
      (5) Applicable Federal, State and industry standards and guidelines including, but not limited to, relevant security provisions of the Payment Card Industry (PCI) Data Security Standard (PCIDSS) including the PCIDSS Cloud Computing Guidelines, Criminal Justice Information, The Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act (HIPAA);
      (6) Any requirements implemented by the State under N.C.G.S. §§ 143B-1376 and -1377.

f) Security Breach. "Security Breach" under the NC Identity Theft Protection Act (N.C.G.S. § 75-60*ff*) means (1) any circumstance pursuant to which applicable Law requires notification of such breach to be given to affected parties or other activity in response to such circumstance (e.g., N.C.G.S. § 75-65); or (2) any actual, attempted, suspected, threatened, or reasonably foreseeable circumstance that compromises, or could reasonably be expected to compromise, either Physical Security or Systems Security (as such terms are defined below) in a fashion that either does or could reasonably be expected to permit unauthorized Processing (as defined below), use, disclosure or acquisition of or access to any the State Data or state confidential information. "Physical Security" means physical security at any site or other location housing systems maintained by Vendor or its agents or subcontractors in connection with the Services. "Systems Security" means security of computer, electronic or telecommunications systems of any variety (including data bases, hardware, software, storage, switching and interconnection devices and mechanisms), and networks of which such systems are a part or communicate with, used directly or indirectly by Vendor or its agents or subcontractors in connection with the Services. "Processing" means any operation or set of operations performed upon the State Data or State confidential information, whether by automatic means, such as creating, collecting, procuring, obtaining, accessing, recording, organizing, storing, adapting, altering, retrieving, consulting, using, disclosing or destroying.

g) Breach Notification. In the event Vendor becomes aware of any Security Breach due to Vendor acts or omissions other than in accordance with the terms of the Agreement, Vendor shall, at its own expense, (1) immediately notify the State's Agreement Administrator of such Security Breach and perform a root cause analysis thereon, (2) investigate such Security Breach, (3) provide a remediation plan, acceptable to the State, to address the Security Breach and prevent any further incidents, (4) conduct a forensic investigation to determine what systems, data and information have been affected by such event; and (5) cooperate with the State, and any law enforcement or regulatory officials, credit reporting companies, and credit card associations investigating such Security Breach. The State shall make the final decision on notifying the State's persons, entities, employees, service providers and/or the public of such Security Breach, and the implementation of the remediation plan. If a notification to a customer is required under any Law or pursuant to any of the State's privacy or security policies, then notifications to all persons and entities who are affected by the same event (as reasonably determined by the State) shall be considered legally required.

h) Notification Related Costs. Vendor shall reimburse the State for all Notification Related Costs incurred by the State arising out of or in connection with any such Security Breach due to Vendor acts or omissions other than in accordance with the terms of the Agreement resulting in a requirement for legally required notifications. "Notification Related Costs" shall include the State's internal and external costs associated with addressing and responding to the Security Breach, including but not limited to: (1) preparation and mailing or other transmission of legally required notifications; (2) preparation and mailing or other transmission of such other communications to customers, agents or others as the State deems reasonably appropriate; (3) establishment of a call center or other communications procedures in response to such Security Breach (e.g., customer service FAQs, talking points and training); (4) public relations and other similar crisis management services; (5) legal and accounting fees and expenses associated with the State's investigation of and response to such event; and (6) costs for credit reporting services that are associated with legally required notifications or are advisable, in the State's opinion, under the circumstances. If the Vendor becomes aware of any Security Breach which is not due to Vendor acts or omissions other than in accordance with the terms of the Agreement, Vendor shall immediately notify the State of such Security Breach, and the parties shall reasonably cooperate regarding which of the foregoing or other activities may be appropriate under the circumstances, including any applicable Charges for the same.

i) Vendor shall allow the State reasonable access to Services security logs, latency statistics, and other related Services security data that affect this Agreement and the State's Data, at no cost to the State.

j) In the course of normal operations, it may become necessary for Vendor to copy or move Data to another storage destination on its online system, and delete the Data found in the original location. In any such event, the Vendor shall preserve and maintain the content and integrity of the Data, except by prior written notice to, and prior written approval by, the State.

k) Remote access to Data from outside the continental United States, including, without limitation, remote access to Data by authorized Services support staff in identified support centers, is prohibited unless approved in advance by the State Chief Information Officer or the Using Agency.

l) In the event of temporary loss of access to Services, Vendor shall promptly restore continuity of Services, restore Data in accordance with this Agreement and as may be set forth in an SLA, restore accessibility of Data and the Services to meet the performance requirements stated herein or in an SLA. As a result, Service Level remedies will become available to the State as provided herein, in the SLA or other agreed and relevant documents. Failure to promptly remedy any such temporary loss of access may result in the State exercising its options for assessing damages under this Agreement.

m) In the event of disaster or catastrophic failure that results in significant State Data loss or extended loss of access to Data or Services, Vendor shall notify the State by the fastest means available and in writing, with additional notification provided to the State Chief Information Officer or designee of the contracting agency. Vendor shall provide such notification within twenty-four (24) hours after Vendor reasonably believes there has been such a disaster or catastrophic failure. In the notification, Vendor shall inform the State of:

   (1) The scale and quantity of the State Data loss;
   (2) What Vendor has done or will do to recover the State Data from backups and mitigate any deleterious effect of the State Data and Services loss; and
   (3) What corrective action Vendor has taken or will take to prevent future State Data and Services loss.
   (4) If Vendor fails to respond immediately and remedy the failure, the State may exercise its options for assessing damages or other remedies under this Agreement.

   Vendor shall investigate the disaster or catastrophic failure and shall share the report of the investigation with the State. The State and/or its authorized agents shall have the right to lead (if required by law) or participate in the investigation. Vendor shall cooperate fully with the State, its agents and law enforcement.

n) In the event of termination of this contract, cessation of business by the Vendor or other event preventing Vendor from continuing to provide the Services, Vendor shall not withhold the State Data or any other State confidential information or refuse for any reason, to promptly return to the State the State Data and any other State confidential information (including copies thereof) if requested to do so on such media as reasonably requested by the State, even if the State is then or is alleged to be in breach of the Agreement. As a part of Vendor's obligation to provide the State Data pursuant to this Paragraph 18) n), Vendor will also provide the State any data maps, documentation, software, or other materials necessary, including, without limitation, handwritten notes, materials, working papers or documentation, for the State to use, translate, interpret, extract and convert the State Data.

o) Secure Data Disposal. When requested by the State, the Vendor shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods and certificates of destruction shall be provided to the State.

Vendor shall select which level of clearance it would like to be reviewed and approved:

☑ **Hosted on State Infrastructure**

☑ **Not Hosted on State Infrastructure**

3.0 Section 13. ACCESS TO PERSONS AND RECORDS of the **North Carolina General Terms and Conditions** is revised and restated in its entirety as follows:

13. <u>ACCESS TO PERSONS AND RECORDS</u>:

(a) During, and after the term hereof during the relevant period required for retention of records by State law (G.S. 121-5, 132-1 *et seq.,* typically five years), the State Auditor and any Purchasing Agency's internal auditors shall have access to persons and records related to the Contract to verify accounts and data affecting fees or performance under the Contract, as provided in G.S. 143-49(9). However, if any audit, litigation or other action arising out of or related in any way to this project is commenced before the end of such retention of records period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the record retentions period, whichever is later.

(b) The following entities may audit the records of this contract during and after the term of the contract to verify accounts and data affecting fees or performance:

1. The State Auditor.

2. The internal auditors of the affected department, agency or institution.

3. The Joint Legislative Commission on Governmental Operations and legislative employees whose primary responsibility is to provide professional or administrative services to the Commission.

(c) The Joint Legislative Commission on Governmental Operations has the authority to:

1. Study the efficiency, economy and effectiveness of any non-State entity receiving public funds.

2. Evaluate the implementation of public policies, as articulated by enacted law, administrative rule, executive order, policy, or local ordinance, by any non-State entity receiving public funds.

3. Investigate possible instances of misfeasance, malfeasance, nonfeasance, mismanagement, waste, abuse, or illegal conduct by officers and employees of a non-State entity receiving, directly or indirectly, public funds, as it relates to the officer's or employee's responsibilities regarding the receipt of public funds.

4. Receive reports as required by law or as requested by the Commission.

5. Access and review

a. Any documents or records related to any contract awarded by a State agency, including the documents and records of the contractor, that the Commission determines will assist in verifying accounts or will contain data affecting fees or performance; and

b. Any records related to any subcontract of a contract awarded by a State agency that is utilized to fulfill the contract, including, but not limited to (i) records related to the drafting and approval of the subcontract, and (ii) documents and records of the contractor or subcontractor that the Commission determines will assist in verifying accounts or will contain data affecting fees or performance.

(d) The Joint Legislative Commission on Governmental Operations has the power to:

1. Compel access to any document or system of records held by a non-State entity receiving, directly or indirectly, public funds, to the extent the documents relate to the receipt, purpose or implementation of a program or service paid for with public funds.

2. Compel attendance of any officer or employee of any non-State entity receiving public funds, provided the officer or employee is responsible for implementing a program or providing a service paid for with public funds.

(e) Unless prohibited by federal law, the Commission and Commission staff in the discharge of their duties under this Article shall be provided access to any building or facility owned or leased by a non-State entity receiving public funds provided (i) the building or facility is used to implement a program or provide a service paid for with public funds and (ii) the access is reasonably related to the receipt, purpose, or implementation of a program or service paid for with public funds.

(f) Any confidential information obtained by the Commission shall remain confidential and is not a public record as defined in G.S. 132-1.

(g) Any document or information obtained or produced by Commission staff in furtherance of staff's duties to the Commission is confidential and is not a public record as defined in G.S. 132-1.

(h) A person who conceals, falsifies, or refuses to provide to the Commission any document, information, or access to any building or facility as required by this Article with the intent to mislead, impede, or interfere with the Commission's discharge of its duties under this Article shall be guilty of a Class 2 misdemeanor.

a) Title Page

Proposal for Supplemental Internal Audit, Assurance, Accounting, Data Analytics, and Managerial Advisory Services

State of North Carolina (RFP #: DPC-646236801-MT)

September 6, 2023

Alyssa Martin, CPA
National Strategy Leader, Large Market and Public Entities
832.320.7975 | alyssa.martin@weaver.com

Todd Hoffman
Partner, Government Consulting Services
832.320.3244 | todd.hoffman@weaver.com

Weaver and Tidwell, L.L.P. | 4400 Post Oak Parkway, Suite 1100 | Houston, TX 77027

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CONTENTS

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b) Execution Pages

STATE OF NORTH CAROLINA
Division of Purchasing & Contract

Refer *ALL* Inquiries regarding this RFP to the procurement lead through the Message Board in the Sourcing Tool. See section 2.6 for details.	**Request for Proposal #: DPC-646236801-MT** **Proposals will be publicly opened: August 22, 2023, @2:00 PM EST**
Using Agency: STATEWIDE **Requisition No.: STC# 8411A**	**Commodity No. and Description: 84111600 – Audit Services**

EXECUTION

In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.

By executing this proposal, the undersigned Vendor understands that false certification is a Class I felony and certifies that:

- this proposal is submitted competitively and without collusion (G.S. 143-54),
- none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and
- it is not an ineligible Vendor as set forth in G.S. 143-59.1.

Furthermore, by executing this proposal, the undersigned certifies to the best of Vendor's knowledge and belief, that:

- it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency.

As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this RFP, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in connection with performance of any Contract arising from this solicitation.

G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public contracts; or awarding or administering public contracts; or inspecting or supervising delivery of the public contract of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of this response to the RFP, the undersigned certifies, for Vendor's entire organization and its employees or agents, that Vendor is not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

By executing this bid, Vendor certifies that it has read and agreed to the **INSTRUCTION TO VENDORS** and the **NORTH CAROLINA GENERAL TERMS AND CONDITIONS incorporated herein.** These documents can be accessed from the Ariba Sourcing Tool.

Failure to execute/sign proposal prior to submittal may render proposal invalid and it MAY BE REJECTED. Late proposals shall not be accepted.

COMPLETE/FORMAL NAME OF VENDOR: Weaver and Tidwell, L.L.P.		
STREET ADDRESS: 4400 Post Oak Parkway, Suite 1100	P.O. BOX: N/A	ZIP: 77027
CITY & STATE & ZIP: Houston, TX 77027	TELEPHONE NUMBER: 832.320.7975	TOLL FREE TEL. NO: 800.332.7952
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21): N/A		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR: Alyssa Martin, CPA | National Strategy Leader, Large Market & Public Entities	FAX NUMBER: 713.850.1673	

Proposal Number: DPC-646236801-MT *Vendor:* Weaver and Tidwell, L.L.P.

VENDOR'S AUTHORIZED SIGNATURE*:	DATE: 08/22/2023	EMAIL: alyssa.martin@weaver.com

VALIDITY PERIOD

Offer shall be valid for at least 120 days from date of bid opening, unless otherwise stated here: N/A days, or if extended by mutual agreement of the parties in writing. Any withdrawal of this offer shall be made in writing, effective upon receipt by the agency issuing this RFP.

ACCEPTANCE OF PROPOSAL

If your proposal is accepted, all provisions of this RFP, along with the written results of any negotiations, shall constitute the written agreement between the parties ("Contract"). The NORTH CAROLINA GENERAL TERMS AND CONDITIONS are incorporated herein and shall apply. Depending upon the Services being offered, other terms and conditions may apply, as mutually agreed.

FOR STATE USE ONLY: Offer accepted and Contract awarded this________ day of __________, 20____, as indicated on

The attached certification, by ____.

(Authorized Representative of Division of Purchase and Contract)

c) Addenda

Addendum Number One

Weaver acknowledges receipt of Addendum Number One.

Addendum Number Two

Weaver acknowledges receipt of Addendum Number Two.

Addendum Number Three

Weaver acknowledges receipt of Addendum Number Three. Please see acknowledgement form on the following page.

Check **ONLY ONE** of the following options and return one properly executed copy of this Addendum prior to the Solicitation opening time and date.

☐ A response was submitted prior to this Addendum. An updated response has been submitted to address the changes resulting from this Addendum.

☐ A response was submitted prior to this Addendum. **NO CHANGES have resulted** from this Addendum.

☑ A response was **not** submitted prior to this Addendum. **ANY CHANGES resulting** from this Addendum are included in our response.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME

Alyssa Martin
Authorized Signature

September 6, 2023
Date

Alyssa Martin, CPA
Printed Name

National Strategy Leader, Large Market & Public Entities
Title

d) Proposal

4.4 Vendor Experience

Executive Summary

Today, the stakes for serving our communities have never been higher, and in these high-visibility environments, adhering to statutory mandates and executing needed changes requires a fresh approach and effective ways to address risk, solve problems and report results.

The State of North Carolina (the State) is seeking assistance from an independent audit and consulting firm that will rise to your challenges. This requires specialized knowledge; state agency and higher education experience; and a deep bench of professionals you can call upon to perform audits, assessments and other consulting projects across an array of subjects and activities.

Your leaders need a firm that understands the nuances of government operations and public policy. Your team deserves close cooperation, team leadership and subject matter experience that aligns with your needs, resources, constraints and strategy. You need a partner that that can help address the challenges and opportunities the future will bring.

300+ Government clients annually

25+ State agencies

25+ Colleges & universities

100+ Local/regional entities

40+ Cities & towns

50+ School districts

Meet Weaver.

Weaver and Tidwell, L.L.P. (Weaver) brings a team with the skills and experience to help the State address critical challenges. Since our founding in 1950, serving government entities has been fundamental to Weaver, with a keen focus on internal audit and other advisory services.

Our team brings deep insight into the regulatory, political, and financial pressures state governments face. Our knowledge and skills are informed by our broader government and private-sector practices, with cutting-edge methodologies that have been sharpened through hundreds of engagements across multiple governmental and industry environments.

Our holistic approach brings you the best people we have in internal audit, financial audit, consulting, information technology, data analytics, organizational assessment, business process improvement and investigative services. We meet each of our clients where they are within a competitive rate structure achieved through low overhead and careful planning.

****CONFIDENTIAL****

Weaver is addresses complex problems for billion-d ollar government agencies and universities across the U.S. regarding compliance, operational, financial and IT processes and procedures, including the **California State Teacher Retirement System**, the **California Public Employees Retirement System (CalPERS)**, the **Lower Colorado River Authority**, the **North Dakota Retirement and Investment Office (ND RIO)**, the **State Board of Administration of Florida (SBA)**, **City of Houston**, **Texas A&M University System** and the **University of Texas System**.

We offer our clients:

VALUE THROUGH INSIGHT

The real value of an engagement doesn't come from checklists and spreadsheets; value comes from professionals with the insight and experience to put information in a meaningful context you can use. We work to ensure our recommendations are relevant, realistic and scalable to suit your needs as circumstances change over time, **supportive of your overall mission**.

A BIG PICTURE PERSPECTIVE

Projects like these aren't singular events. The greatest impact results from building on existing work to strengthen internal processes and mitigate ongoing risk. We continuously enhance our understanding of your organization, culture, challenges and opportunities **so we can provide efficient, impactful services that deliver meaningful value over time**.

COLLABORATIVE, CONSULTATIVE APPROACH

We'll work closely with you to navigate internal complexities to confirm focused, customized services. Along the way, we communicate regularly to facilitate and support the implementation of any recommendations and to educate your own people, giving them the **tools they need to support process and cultural changes over the long term**.

Weaver will support North Carolina government and higher education entities with a well-rounded team of professionals. Our team has been selected for their subject matter knowledge in each of the potential scopes identified in the RFP and hands-on experience with complex government operations.

Our function-specific approach means we deploy the right resources at the right time, based on each specific scope, subject area and task. Our approach provides scalable, flexible teams in an agile and cost-effective manner with minimal disruption to our clients' day-to-day operations.

Weaver understands and respects the interrelations between different departments and overlapping systems and processes. We remain cognizant of the implications that every engagement — and every change — can have for each client as a whole, **and we thoughtfully consider how each project fits into their broader goals.**

You can be confident that we'll work to ensure any recommendations we make are deliberate, practical, scalable and can be implemented to suit the State's needs over the long-term.

Our Commitment

Ultimately, your success is our success, and we want to support the State with active, hands-on leadership, coordination and subject matter knowledge — **so that you can focus on enhancing the lives of citizens *from the mountains to the sea.***

Meet Weaver

Founded in 1950, Weaver has been providing assurance and advisory services to government entities for more than seven decades.

With 16 offices from coast to coast and more than 1,200 professionals, we're committed to helping our government clients meet regulatory requirements, but we also bring a long-term perspective to help them improve their operations and services. By helping clients build mature, strategic processes and governance, we position them to address problems, flag potential issues such as fraud or loss, and achieve compliance more effectively.

At Weaver, there are no "one-size-fits-all" solutions. We combine leading technical knowledge with specific industry experience to provide highly customized services tailored to each client's needs.

Industries

- Government
- Not-for-profit
- Higher Education
- Real Estate
- Construction
- Hospitality & Entertainment
- Health Care
- Professional Services
- Private Equity
- Insurance
- Technology
- Blockchain & Digital Assets
- Alternative Investments
- Financial Services
- Banking
- Manufacturing
- Distribution & Logistics
- Oil & Gas
- Energy Transition & Renewables

Services

Advisory Services
- Risk Advisory Services
- IT Advisory Services
- Digital Transformation & Automation
- Government Consulting Services
- Asset Management Consulting
- Accounting Advisory Services
- Transaction Advisory Services
- Valuation Services
- Forensic & Litigation Services
- Family Office Services

Assurance Services
- Audit, Review & Compilation
- Agreed-Upon Procedures
- Employee Benefit Plan Audit
- SOC Reporting
- Attestation Services
- IFRS Assessment & Conversion

Tax Services
- Federal Tax
- State & Local Tax
- International Tax
- Personal Client Services

35
Top 35 Firm nationwide

TIAG
A Worldwide Alliance of Independent Accounting Firms

Allinial GLOBAL

INSIDE PUBLIC ACCOUNTING BEST OF THE BEST FIRMS 2022

INSIDE PUBLIC ACCOUNTING TOP 100 FIRMS 2022

SCAN ME

Our goal is to balance both high development with high performance to meet the long-term goals of each individual, team and our firm, and every person plays a part. Our core values drive everything we do at Weaver — the way we work, the way we operate and the way we serve our clients.

Our Core Values

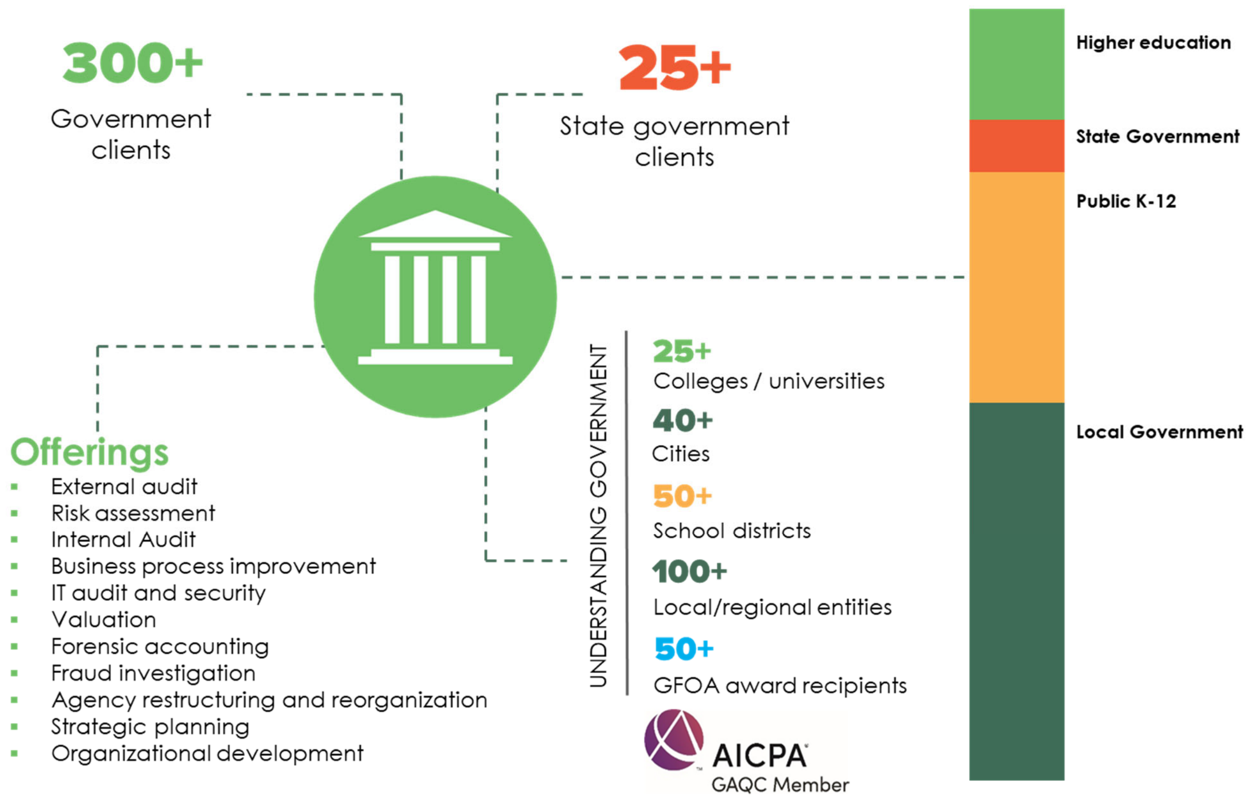
- Take initiative. Lead. Always think about how we can improve.
- Do work you're deeply proud of, as if Weaver were *your* business.
- Act with integrity, no matter what.
- Strive to transcend client expectations, *always*.
- Be adaptable and innovative in all that you do.
- Help each other succeed at work and in life.
- Respect everyone for who they are and what they contribute, no matter how different.
- Keep perspective: Be passionate and diligent, *and have fun.*

Our Experience

Our Government Experience

With more than 70 years of experience meeting the advisory and assurance needs of state government entities, Weaver understands the complexities of your financial operations, the challenges and risks specific to state government and higher education entities, and the nuanced compliance requirements you must meet.

Weaver has in-depth knowledge of state agencies' operations through years of experience performing engagements across numerous departments and over a variety of policies, processes and activities. We meet you where you are with customized services and flexible, scalable, multidisciplinary teams.



Weaver leaders participate in key standard-setting bodies, including the **American Institute of Certified Public Accountants' (AICPA's)** Council, State & Local Government Expert Panel and Government Audit Quality Center (GAQC), and the **Government Finance Officers Association (GFOA)** Special Review Committee.

"Weaver is extremely knowledgeable in government finance…the firm has such a wide breadth of knowledge and disciplines within their organization that they have been able to assist us in every situation.

– Weaver Government Client

Trusted by Governments

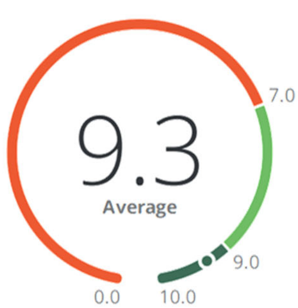
Weaver is part of vendor pools or holds a specific Master Service Agreement (MSA) with numerous government and higher education entities across the U.S.

- CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
- CALIFORNIA STATE TEACHER RETIREMENT SYSTEM
- CITY OF DALLAS, TX
- CITY OF HOUSTON, TX
- COUNTY OF ORANGE, CA
- HOUSTON ISD
- HOUSTON-GALVESTON AREA COUNCIL
- LONE STAR COLLEGE SYSTEM
- LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
- LOS ANGELES COUNTY EMPLOYEES RETIREMENT SYSTEM
- MARICOPA COUNTY, AZ
- NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
- NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
- NORTH TEXAS TOLLWAY AUTHORITY
- ORANGE COUNTY TRANSPORTATION AUTHORITY
- ORLANDO UTILITY COMMISSION
- SAN DIEGO COUNTY EMPLOYEE RETIREMENT ASSOCIATION
- STATE BOARD OF ADMINISTRATION OF FLORIDA
- STATE OF OKLAHOMA
- STATE OF UTAH
- TEXAS A&M UNIVERSITY SYSTEM
- TEXAS DEPARTMENT OF INFORMATION RESOURCES
- TEXAS EMPLOYEES RETIREMENT SYSTEM
- TEXAS GENERAL LAND OFFICE
- TEXAS HEALTH AND HUMAN SERVICES COMMISSION
- TEXAS LOTTERY
- TEXAS WATER DEVELOPMENT BOARD
- TOP-3 LARGEST U.S. SCHOOL DISTRICT
- UNIVERSITY OF MASSACHUSETTS SYSTEM
- UNIVERSITY OF SOUTHERN CALIFORNIA
- UNIVERSITY OF TEXAS SYSTEM
- UNIVERSITY OF TEXAS SYSTEM
- UNIVERSITY SYSTEM OF NEW HAMPSHIRE

High Standards of Service: Focus on State Government

We regularly send out client satisfaction and feedback surveys to all our clients to evaluate the delivery of our services. In an effort to constantly improve, we're always ready to integrate changes to our processes based on the feedback we receive. Our state government clients have rated us highly in two key areas:

NET PROMOTER SCORE



If a client rates us a 9 or 10, they're strongly likely to recommend Weaver

CLIENT SATISFACTION

98%

data from the last three years

98% of our state government clients are satisfied with our services

Representative Government/Government-Funded Clients

STATE GOVERNMENT
California Public Employees' Retirement System
California State Teachers' Retirement System#
California State Lottery Commission#
Cancer Prevention & Research Institute of Texas#
Employee Retirement System of Texas#
Nevada Department of Education
North Dakota State Investment Board – North Dakota Retirement and Investment Office
Tourism Office, TX
State Bar of Texas#
State Board of Administration of Florida
State of North Dakota Retirement & Investment Office
Texas Board of Law Examiners
Texas Council for Developmental Disabilities#
Texas Department of Information Resources#
Texas Department of Insurance#
Texas Department of Licensing & Regulation#
Texas Department of Motor Vehicles#
Texas Emergency Services Retirement System
Texas General Land Office#
Texas Health and Human Services Commission#
Texas Higher Education Coordinating Board#
Texas Lottery Commission#
Texas Medical Board#
Texas Municipal Retirement System#
Texas Permanent School Fund
Texas State Auditor's Office#
Texas State Board of Pharmacy#
Texas State Library & Archives Commission#
Texas Veterans Commission#
Texas Water Development Board#
Texas Windstorm Insurance Assoc.#

LOCAL/REGIONAL ENTITIES
Bexar Appraisal District
Brushy Creek Regional Utility Authority
Capital Metropolitan Transportation Authority
Central Texas Council of Governments*/+
Central Texas Workforce Development Board, Inc.*
Coastal Water Authority
Dallas Area Rapid Transit (DART)#
Dallas County Park Cities Municipal Utility District
Dallas County Utility and Reclamation District
Denton County Transit Authority*/+/#
ERCOT#
Ector County Appraisal District
Fort Bend County MUD 58
Guadalupe County*/+/ #
Houston-Galveston Area Council#
Irving Flood Control District
Los Angeles City Employees' Retirement System
Los Angeles County Employees Retirement Association
Lower Colorado River Authority#
Metropolitan Transit Authority of Harris County
Medical Center Health System#
Midland County
Midland County Fresh Water Supply District No. 1
Montgomery Central Appraisal District
Montgomery County Hospital District
North Central Texas Council of Governments
Odessa Development Corporation
Orange County Transportation Authority
Parker County*
Pecos County
San Diego County Employees Retirement Association#
Tarrant Regional Water District
Trinity Metro*
Trinity River Authority+
Williamson County */+

MUNICIPALITIES
City of Austin#
City of Allen*/+
City of Bedford*/+
City of Bryan*/+
City of Buda*/+
City of Burleson
City of Cedar Park*/+
City of Colleyville*/+
City of Coppell*/+
City of Corpus Christi*/#
City of Dallas*/+
City of Denton*/+
City of Euless*/+
City of Fort Worth*/+/#
City of Frisco*/+
City of Garland*/+
City of Georgetown*/+/#
City of Grand Prairie*/+
City of Houston#
City of Irving*/+
City of Lewisville*/+
City of Lubbock*/+
City of McAllen*/+
City of McKinney*/+
City of Midland#
City of Missouri City*/+
City of Moore, OK
City of Murphy*/+
City of Odessa*/+
City of Plano*/+
City of Rowlett*/+
City of Saginaw*/+
City of Southlake*/#/+
City of Sugar Land*/+
City of Tomball#
City of the Colony*/+
City of Watauga*/+
City of Wylie*/+
Town of Highland Park+
Town of Fairview*/+
Town of Little Elm*/+

HIGHER EDUCATION
Alamo Colleges District#
Austin Community College District*/#
Blinn College#
College of the Mainland#
Del Mar College#
Dallas Baptist University*
Higher Education Servicing Corporation#
Kilgore College*
Lamar University*
Lone Star College*/#
Lee College#
Prairie View A&M
Tarleton State University#
Tarrant County College District*/#
Texas A&M University System#
Texas A&M International University#
Texas A&M – Commerce#
Texas A&M – Corpus Christi
Texas Southern University#
Texas State University
Tyler Junior College#
University of Houston – Clear Lake
University of North Texas Health Science Center
University of Texas System#
University of Texas at Arlington#
University of Texas at Dallas
University of Texas at San Antonio
University of Texas Permian Basin#
UT MD Anderson#
UT Southwestern Medical Center#

K-12 EDUCATION
Alvin ISD*/ +
Barbers Hill ISD*
Birdville ISD*/+
Boerne ISD*
Bryan ISD*
Burleson ISD*/+
Clear Creek ISD*
College Station ISD*
Conroe ISD*/+
Crowley ISD*
Cypress-Fairbanks ISD*/+/#
Dallas ISD*/+/#
Dayton ISD*
Duncanville ISD*
Region 4 Education Service Center*
Region 6 Education Service Center*
Region 11 Education Service Center*
Fort Worth ISD*/+/#
Frisco ISD*/+/#
Grand Prairie ISD*/+
Hempstead ISD*
Highland Park ISD*
Houston ISD*/#
Hurst-Euless-Bedford ISD*/+
Irving ISD*/+/#
Jasper ISD*
Keller ISD*
Klein ISD*/+
Liberty ISD*
New Caney ISD*
Northside ISD*/+
Onalaska ISD*
Plano ISD*/+
Shepherd ISD*
Splendora ISD*
Rockwall ISD*
Tarkington ISD*
Texas City ISD*
Tomball ISD*/+
Waco ISD*/#

*** Single Audits | + Recipient of GFOA Award for Excellence in Financial Reporting | # Internal Control and/or IT Audit**

A Commitment to Higher Education

Serving higher education institutions, not-for-profit organizations and government entities has been a core focus for Weaver since our founding.

Our clients will tell you that we maintain a deep understanding of the higher education industry, provide a consistent team year after year and deliver work on-time and on-budget while remaining accessible. Ensuring our clients' overall satisfaction is a priority in everything we do.

We provide financial audit and other compliance and advisory services to some of the largest universities in the nation, including **Texas A&M University System** and the **University of Texas System.**

Weaver's hands-on experience with higher education clients means we can approach your engagement in the most efficient manner possible. We consistently look for ways to bring a valuable perspective to be sure that we're adjusting to lessons learned, changes in your operations, industry trends, and the evolution of best practices. Throughout our service to you, we will always look for ways to balance efficiency and innovation to bring you the best experience possible.

Our higher education teams have provided a wide array of services to colleges and universities, including internal audits, construction audits, financial statement reviews, and agreed-upon procedures engagements.

PUBLIC UNIVERSITY

Texas A&M University System
Texas A&M University System – Bryan/College Station
Texas A&M International University
Texas A&M University – Commerce
Texas A&M University – Corpus Christi
Prairie View A&M University
Tarleton State University
University of Texas System
University of Texas at Arlington
University of Texas at Dallas
University of Texas at El Paso
University of Texas at San Antonio
University of Texas Permian Basin
The University of Texas MD Anderson Cancer Center
UT Southwestern Medical Center
University of Houston – Clear Lake
University of Massachusetts
University of North Texas Health Science Center
University System of New Hampshire
Texas Woman's University
Texas Southern University
Lamar University
St. Petersburg College

COMMUNITY COLLEGES

Alamo Colleges District
Austin Community College District
Blinn College
College of the Mainland
Del Mar College
Kilgore College
Lamar State College Orange
Lone Star College
Tarrant County Community College District & Foundation
Tyler Junior College

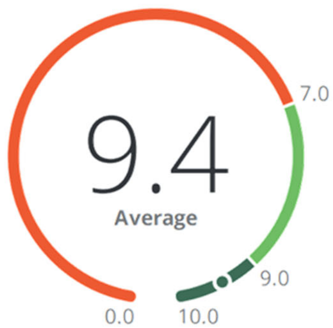
PRIVATE UNIVERSITIES

Dallas Baptist University
Lubbock Christian University
Texas Christian University

High Standards of Service: Focus on Higher Education

We regularly send out client satisfaction and feedback surveys to all our clients to evaluate the delivery of our services. In an effort to constantly improve, we're always ready to integrate changes to our processes based on the feedback we receive. Our higher education clients have rated us highly in two key areas:

NET PROMOTER SCORE



If a client rates us a 9 or 10, they're strongly likely to recommend Weaver

CLIENT SATISFACTION

98%

**data from the last three years*

98% of our higher education clients are satisfied with our services

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Weaver leaders are active in key professional organizations, including education-related organizations such as the **National Association of College and University Business Officers (NACUBO)**, and the **Association of College & University Auditors (ACUA)**.

Weaver partners have conducted three different Continuing Professional Education (CPE) presentations for the ACUA within the past year, and written an article for their College & University Auditor Journal.

In addition, since 2018, Weaver has provided a monthly column for the Texas Association of Scholl Business Officials' (TASBO's) online "Internal Control Tips," including tips for managing electronic payments, enhancing the risk assessment process and ideas for controlling cash. We've also presented numerous sessions at Texas Association of Community College Business Officers (TACCBO) conferences, including topics such as construction, grants, procurement, etc.

Resources for Your Success

Continuing Professional Education

Weaver wants to furnish you with the information and support you need to master many different operational challenges. That's why we provide a constant stream of accredited CPE events, webinars, podcasts, toolkits and research on issues facing our clients.

Weaver is an accredited CPE provider. Our sessions are led by dedicated, industry-specific, professionals within our firm and include breakout sessions so you can customize your CPE day to your most critical needs.

We're also available to provide updates and other CPE-accredited training to your staff upon request — **for example, we currently provide tailored CPE for both CalSTRS and City of Dallas staff**.

In addition, we routinely conduct free webinars (typically occurring over the lunch hour) that offer a way for you to remain plugged in to the industry updates and trends without leaving your office.

Government CPE Training

Weaver regularly hosts a series of virtual Government CPE Training that includes a range of hot topics for financial and accounting leaders.

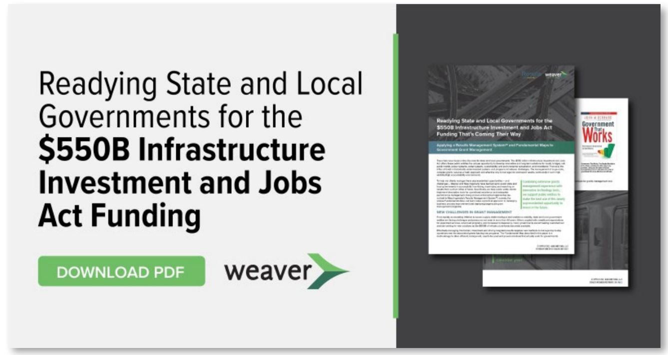
Sessions cover the latest compliance requirements and GASB updates as well as timely topics impacting government operations such as cybersecurity, fraud prevention and digital transformation. Sessions have included:

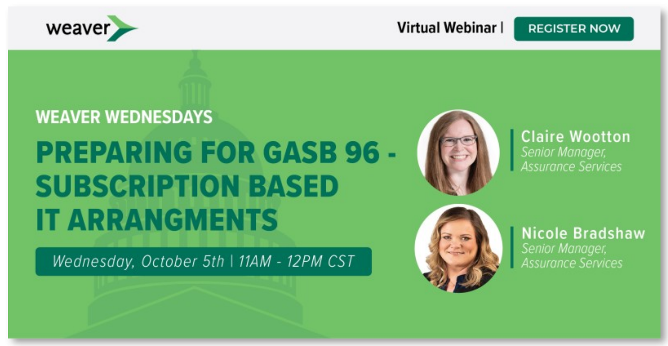
- Correctly Calculating Net Investment in Capital Assets
- State of Organizational Risks
- Annual GASB Update
- Fraud Detection and Prevention: Leveraging Data Monitoring and Analytics
- The Five Traits of Difference Makers
- Digital Transformation, Catching (and Riding) the Wave!
- "NextGen" and "Advanced" Cyber Capabilities are the New Expected Basics

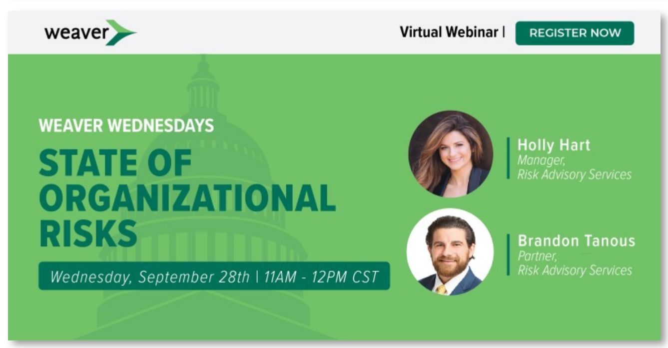
In addition to timely thought leadership via blogs and webinars, Weaver also publishes a podcast, ***Weaver: Beyond the Numbers — The Business of Government*** with a government focus.

Thought Leadership

We provide a constant stream of webinars, podcasts, toolkits and research on issues facing our clients.







a. Operational / Performance Audit

Operational and performance audits are crucial tools to help vital state agencies and universities answer a fundamental question: *What is the gap between* ***the organization we are*** *and the organization* ***we aspire to be?***

Weaver can help North Carolina state agencies and universities answer that question.

Weaver helps our clients become the best organization they can be by not just assessing their areas of concern and handing them a report, but by providing collaborative recommendations that are insightful, practical, scalable, sustainable, and can be implemented with measurable performance results.

We provide a comprehensive, tailored performance audits, not "for" our clients, but **with** our clients.

Representative Engagements

TEXAS WATER DEVELOPMENT BOARD (TWDB)

Founded in 1957, the TWDB's goal is *to lead the state's efforts in ensuring a secure water future for Texas and its citizens*. This increasingly critical task includes supporting the development of regional water and flood plans, providing loans and grants for water supply and quality projects, spearheading ongoing conservation and conducting studies and compiling data. In 2019, Weaver was selected as an approved provider of accounting audit services under a Master Services Agreement.

As part of that MSA, Weaver assisted the agency in launching its "CFO to Go" program by performing internal control and process reviews of Texas cities that have received water and sewer infrastructure loans from TWDB.

The reviews included assessments of the functionality of cities' accounting systems and compliance with loan covenants.

TEXAS HIGHER EDUCATION COORDINATING BOARD (THECB)

Since 2015, Weaver has provided THECB with a wide array of internal audit and advisory services.

Weaver performed a detailed analysis of the loan servicing and collections. We evaluated the design of the workflows and processing of student loans, from origination to payment collections, servicing, and final disposition of the loans. We conducted a detailed staffing analysis to evaluate the adequacy of staffing throughout the annual business cycles of THECB to provide the agency insight into labor hours required to be available to maintain service levels.

We provided recommendations for improvement of the operational and financial internal controls to strengthen loan processing and collections, as well as providing comparative staffing analysis for similar organizations across the U.S.

TEXAS PERMANENT SCHOOL FUND/TEXAS EDUCATION AGENCY (TPSF)

The TPSF is a sovereign wealth fund with an endowment of $45+ billion that provides funding for public education across the state. Through the State Auditor's Office, Weaver developed a comprehensive risk-based framework for TPSF, built on industry-standard best practices to establish a comprehensive set of risk management controls over the fund's investment assets.

After Weaver developed the analytical procedures, we provided training for in-house auditors on how to apply them in the future and helped TPSF transition back to in-house auditing to save taxpayer dollars while protecting the investments. Weaver also collaborated with management to help design and implement industry-standard best practices.

At the conclusion of the SAO engagement, the TPSF retained Weaver for investment accounting and reporting advisory services, which we have provided since 2012.

Most recently, Weaver is performing an internal audit to validate beginning balances as TPSF becomes its own independent agency.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)

LACERA is one of the largest independent government entity pension funds, with a fund size of over $73 billion. In 2021, Weaver became part of the vendor pool for organizational activities, information technology and investments-related services.

Weaver was subsequently selected to perform a review and assessment of LACERA's organization governance processes, specifically over the organization's maturity in five key areas: ethics and values, risk management, detection and prevention of fraud, system of internal controls, and system of compliance.

As part of this engagement, Weaver is evaluating the adequacy of the design, structure and implementation of LACERA's governance, as well as the effectiveness of communication and training and the efficient use of systems and information.

CITY OF CORPUS CHRISTI

Weaver provided the City of Corpus Christi with internal control consulting and process design evaluation for the City's Financial Services Department.

The process design and control consulting included an evaluation of the effectiveness and efficiency of the key divisions within the department, including the utility billing office, accounting, accounts receivable and collections, payroll, purchasing, and warehousing.

We provided recommendations to improve the internal controls and to increase the efficiency and effectiveness of operations. These recommendations included application changes, reporting, and updates to manual processes in place.

CITY OF DALLAS

The ninth largest city in the U.S., Dallas is a large, highly complex organization that must balance competing needs against limited budgets. The City, therefore, relies on experienced firms like Weaver to help provide the most value for every taxpayer dollar and protect against waste or fraud.

Weaver has long provided advisory services to the City, such as financial and IT controls work, as well as internal control reviews and evaluation. In one such project, Weaver evaluated compliance with policies and procedures and internal controls across 28 departments for processes such as revenue, cash collections, accounts receivable and IT controls.

In 2020, we were also contracted by the Office of the City Auditor to provide audit and non-audit services as needed. Projects related to a wide variety of needs within public administration, public safety, judicial administration, social services, construction services, treasury management, property valuation, grant management and more.

CITY OF GEORGETOWN

The Georgetown Airport — a regional, City-owned airport in the booming Austin, Texas, area — provides constituent convenience and business vitality to a rapidly growing city with a diverse economy. After Weaver had served as the City of Georgetown's financial auditor for years, the City asked our team to perform a wide-ranging operational assessment of its airport and one of its billing systems.

Our assessment included analysis of reporting to the City Council and development and reporting of key performance indicators over such functions as accounts payable, accounts receivable, staffing, inventory, financial reporting and purchasing, among others.

We also evaluated the processes and internal controls related to the City's new utility billing system, including its integration with the financial accounting system. We conducted both pre-implementation and post-implementation assessments of end-to-end internal controls and processes for the utility billing system. We also provided recommendations for improving the flow of transactions and strengthening internal controls.

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CAPMETRO)

CapMetro operates bus, paratransit and commuter rail services for an average of 70,000 riders per day across Austin, TX and its surrounding suburbs.

Weaver performed the CapMetro's most recent state-mandated Quadrennial Performance Audit. This included a review of CapMetro's compliance with the Texas Transportation Code, state mandated performance indicators (such as operating cost per passenger, sales and use tax, fare recovery, etc.) and Administration and Management of the Authority. We provided recommendations for improved statute compliance, along with enhancements to the efficiency and effectiveness of operations.

EL PASO COUNTY

Weaver assisted El Paso County with a comprehensive examination of internal controls and processes in the areas of accounts payable and disbursements, accounts receivable, cash receipts, cash handling, inventory, payroll and purchasing.

Our team evaluated the effectiveness and efficiency of the processes, identified gaps in internal controls, designed recommendations for improvements, and drafted new policies for the County.

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY (METRO)

METRO operates bus, light rail, bus rapid transit, HOV and HOT lanes and paratransit service for the City of Houston — currently the fourth largest city in the U.S. — and the surrounding counties. With an average daily ridership of nearly 200,000, and with the Houston metropolitan area expected to grow by nearly 50% over the next 20 years, ensuring METRO operates efficiently and effectively is mission-critical.

Weaver performed the METRO's most recent state-mandated Quadrennial Performance Audit.

This included review of METRO's compliance with the Texas Transportation Code, state mandated performance indicators (such as operating cost per passenger, sales and use tax, fare recovery, etc.) and maintenance activities. We gave METRO recommendations for improvement to the compliance with statues, along with enhancements to the efficiency and effectiveness of operations.

DALLAS ISD (DISD)

DISD, which serves more than 150,000 students, is the second-largest district in Texas and the 17th-largest in the U.S. DISD leads two of the top-20 public high schools listed in *U.S. News & World Report*. In the 2020-2021 academic year, DISD's budget exceeded $2 billion, requiring sophisticated financial management and experienced support from its financial auditor, Weaver.

We have worked with DISD to streamline processes in operational areas such as HR, position control, purchasing, accounts payable and capital assets, among others.

In one instance, after deficiencies were identified through internal audit, Weaver's forensic team pursued an investigation of potential fraud. In addition, we completed a fraud risk assessment for DISD, identifying potential risks and internal control weaknesses. Weaver also performed two organizational audits for DISD: one over the procurement function and the other over the IT department.

UNIVERSITY OF TEXAS SYSTEM (UT SYSTEM) — UT PERMIAN BASIN (UTPB)

We have worked with management at the UT System in Austin and the CFO and Controller at UTPB campus to develop an exhaustive plan to remediate audit deficiencies and improve accounting practices and policies.

The scope of our work included diagnosing certain accounting issues and redesigning processes and policies at the UTPB campus to improve grant accounting, month-end reconciliations, cash collections, fixed assets, unearned revenue, student accounts receivable and miscellaneous accounts receivable.

Specifically, as part of our engagement at UTPB, we worked very closely with management to ensure that year-end financials were completed accurately and timely, as well as provided heavy assistance in supporting the requested audit procedures and schedules for UT System.

IN FOCUS: CONSTRUCTION AUDITS

Our current construction management process audits involve projects with construction costs ranging from $22 million to $700 million. Our project experience includes:

AUSTIN COMMUNITY COLLEGE DISTRICT: Numerous construction audits related to ACC's 2014 Bond Program, which represented $386 million in capital improvements. Notable projects have included the Highlands Mall mixed-use development project, and current projects involve seven different projects, six contractors, and $300 million in costs

LONE STAR COLLEGE: Construction audit of bond-funded $13.4 million skilled trades educational facility

DEL MAR COLLEGE: Internal audit of the College's construction management process, which included evaluating internal controls for procurement of construction contracts, contract monitoring and construction contract monitoring

UT SOUTHWESTERN MEDICAL CENTER: $44.8 million for the Radiation Oncology extension; UT Southwestern recently entrusted Weaver with a three-year audit and assessment of construction of their 150,000 sq. ft. Biomedical Engineering building, covering over $84 million in costs

UT MD ANDERSON CANCER CENTER: Separate audits of major repair and renovation and job-cost construction projects. These audits include D-B and JOC projects. MD Anderson recently awarded Weaver the audits of two of their major facility renovations to be completed under CMAR contracts

TEXAS A&M UNIVERSITY SYSTEM: Weaver was originally selected in 2014 as an approved provider of construction audit projects; the contract was then renewed in 2017, and again in 2020. We performed audits over two separate facilities for Texas A&M University in Bryan-College Station. The audits over the Engineering Education Complex and the Center for Infrastructure Renewal included costs of over $235 million

STONELAKE CAPITAL: Three separate audits of multi-family housing developments; over $120 million in costs

TEXAS MILITARY DEPARTMENT: $31 million for the Northwest Houston Reserve Center and vehicle maintenance facility, $12.6 million for a reserve base at the airport, and $2.4 million for an urban assault course

CITY OF MCKINNEY: $35 million in construction costs

CYPRESS-FAIRBANKS ISD: Construction management audit over the 2007 – 2014 bond program; Weaver audited projects totaling $220 million; we audited the district's processes to manage $580 million

BARBERS HILL ISD: Audit of a bond-funded CMAR contract for their $21 million Leadership Support Center

MCKINNEY ISD: Vendor audit over the district's construction contractor as part of a comprehensive internal audit program

FRISCO ISD: $45 million in construction costs

CONROE ISD: Oak Ridge Junior High School $65 million overhaul project

LA PORTE ISD: District Stadium Improvements and High School Renovation, Bayshore Elementary School, La Porte ISD Operations Center, Lomax Junior High School Phase 1, Lomax Junior High School Phase 2, La Porte ISD Technology Center and Baker Center Reservations

b. Investigative Audit

Our team has extensive experience conducting forensic audits and investigations for governmental entities, many of which involve allegations of fraud, waste and abuse.

Our team has completed high-profile forensic engagements and investigations for entities such as the Department of Justice, the Department of Education, the Office of the Texas Attorney General, the Public Utility Commission of Texas and the City of Austin. Your team has decades of experience performing the services the State needs:

- **CONDUCTING** in-depth, probing witness interviews, many of which seek admissions of culpability
- **IDENTIFYING** and gathering evidence of intentional, fraudulent conduct
- **ANALYZING** large volumes of electronic and hard-copy information, employing the latest data mining and analytic techniques
- **PREPARING** comprehensive summary reports with appropriate supporting documentation
- **WORKING** with prosecutors and law enforcement (if necessary) agencies by providing the forensic accounting component of their criminal investigations and trials

We're experienced at effectively and efficiently evaluating financial transactions, purchasing records, procurement practices and procedures, compliance with local, state and federal requirements.

An effective forensic audit requires analyzing complex financial transactions or relationships and developing and providing evidentiary support for conclusions. In addition, because fraud usually involves an attempt at concealment, the investigators must conduct in-depth witness interviews to expose evidence of intentional conduct. Weaver's team has extensive experience leading and documenting these interviews.

Our professionals are CPAs, CFFs, CFEs, CIAs, MAFFs, CFAs, JDs, PIs, Ph.D.s and ASAs, and we understand the importance of independence, confidentiality, thoroughness and accuracy in the work that we perform.

Law enforcement agencies, including the Department of Justice and the FBI have relied on Weaver's forensic reports. These include recent forensic engagements with the City of Austin and DeSoto ISD, both of which resulted in successful prosecutions for embezzlement and misapplication of government funds.

Several members of Weaver's forensics team have also lectured on the topics of forensic accounting, and the detection and investigation of fraud, waste and abuse to state regulatory agencies, professional organizations, industry groups and state and federal investigators. They have performed investigations for numerous state agencies, cities, school districts and other public agencies.

"Our team was very impressed with the expeditious manner in which Weaver personnel obtained, reviewed and set a plan of analysis of the records and documents…Weaver personnel were very detailed in their review of the documents and the interviews conducted."

— Federal U.S. Agency, Weaver Forensic Investigation

Representative Engagements

OFFICE OF THE TEXAS ATTORNEY GENERAL

Weaver was engaged by the Office of the Texas Attorney General to evaluate claims associated with an entity allegedly providing the unauthorized business of insurance in the State of Texas.

Our analysis including tracing funds between multiple bank accounts for the entity and with various related individuals and other business entities, as well as the analysis of financial and accounting records involving the use of hundreds of millions of dollars in monthly member contributions.

PUBLIC UTILITY COMMISSION OF TEXAS (PUCT)

Internal Investigation – Fraud Review and Forensic Accounting
Members of Weaver's team directed various aspects of the independent internal investigation into allegations of corporate abuses and potential wrongdoing at the nation's largest electric distribution cooperative.

The investigation, conducted under the supervision of the PUCT, included a detailed analysis and evaluation of a wide range of compensation and expense items, business arrangements, interrelationships, and business transactions involving former management, Directors and various other outside parties, as well as the evaluation of the corporate governance and internal control functions and allegations or appearance of accounting irregularities, financial misrepresentation, fraud, misuse of corporate funds and breach of fiduciary duty.

IT System Implementation Review – Cost and Schedule Analysis
Members of Weaver's team assisted the Electric Reliability Council of Texas (ERCOT), under the direction of the Public Utility Commission of Texas, in the performance of a cost and schedule analysis and prudence review of delays and cost overruns incurred on a large-scale IT system implementation.

The analysis included evaluating the underlying causal factors for the delays and overruns concerning the established requirements for the project, as well as the overall project schedules, milestones and deliverables. The effort also included an analysis of the costs incurred by the prime contractor and various third-party service providers about project budgets, estimates and actual costs incurred, as well as an assessment of the relative costs attributable to each causal factor and/or party.

Special Investigation – Operational Assessment
Members of Weaver's team directed various aspects of the independent evaluation into various issues, questions and concerns raised regarding the deployment of advanced metering systems by the three largest transmission distribution service providers (TDSPs) in Texas.

The evaluation, conducted at the request of the PUC, included independent accuracy testing of over 5,000 advanced meters, a statistical analysis focused on customers with and without advanced meters to identify and evaluate any unexpected variances, anomalies and/or inconsistencies in their historical electric usage and a review of customer complaints received by the PUCT. The investigation also included the evaluation of the hardware and software systems responsible for measuring, recording, and transmitting electricity consumption information from the advanced meters through the advanced metering infrastructure to individual customer bills at each TDSP.

TEXAS EDUCATION AGENCY / DEPARTMENT OF EDUCATION

Following an audit by the Texas Education Agency, Weaver worked with the Department of Education and the Department of Justice to investigate allegations of improper purchases of technology equipment with federal funds (E-Rate Program) by a charter school in Houston, TX, the fourth largest municipality in the nation.

Weaver's forensic report was relied upon by the U.S. Attorney's Office and a federal judge during criminal proceedings which resulted in the successful prosecution of the former Superintendent for embezzlement.

CONFIDENTIAL BOARD OF EDUCATION

A Weaver team member led a team retained by a New York State Board of Education, and served as integrity monitor for two school bus companies involved in paying cash bribes to Department of Education bus inspectors.

Our team conducted a forensic audit and traced funds, reviewed policies and procedures, and documented findings, including additional areas of potential exposure.

TEXAS SOUTHERN UNIVERSITY (TSU)

TSU is one of the nation's largest public historically black universities, with a rich cultural history and present-day positive economic impact on its community.

Weaver was engaged to perform a forensic audit covering a three-year period, with the goal of identifying any potential fraud, waste and abuse and ultimately providing recommendations for the improvement of internal and operational controls.

The engagement included a review of payments to vendors and contractors — and the identification of any vendors affiliated with TSU employees or board members — as well as an evaluation of compliance with procurement policies. We also examined executive credit card expenditures during the three-year period to determine compliance with university policies and identify any potential misuse of funds or personal purchases.

We also reviewed due diligence investigations completed by TSU's internal audit department, including investigations resulting from submissions through the University's ethics hotline.

CONFIDENTIAL COMMUNITY COLLEGE

Weaver serves as the Internal Auditor for a community college with approximately 5,000 students across six campuses and six partnering high schools. We have performed multiple internal audits on behalf of the College. These audit activities include performing a college-wide risk assessment and developing a three-year internal audit plan for the College, focused on IT, financial and operational areas of the organization.

We performed an investigation of the petty cash fund based on a request from the College Administration that funds were identified as missing. We evaluated the petty cash fund controls, interviewed employees, and reviewed supporting documentation, footage, and access logs to determine potentially culpable individuals.

The results of our procedures were provided to College Administrators and recommendations were provided to improve controls and reduce the risks of cash management for the College.

CONFIDENTIAL COMMUNITY COLLEGE

We have served as the internal auditor to one of the largest institutions of higher education in the nation, with 11 campuses serving 76,000 students each year. While serving as the internal auditor, we executed audits over operational, financial, and IT areas; grant management; and multiple construction audits. We now serve as the financial statement auditor for the College.

During our time as an internal auditor, we received an anonymous report and performed forensic and investigative services concerning the accusation of the misuse of College funds and related party transactions with service providers.

As part of the investigation, we examined the history of the service-provider relationship, the corresponding contracts and the funds expended. We reported the results of our investigation to the College Administration and provided recommendations for improving controls, processes and transparency.

CITY OF AUSTIN

The City of Austin, the 11th largest city in the U.S., retained Weaver to perform an independent investigation into conflict-of-interest allegations, as well as allegations of improper payments received by a high-ranking city employee related to city contracts over a multi-year time period.

The evaluation included an analysis of various types of business records including payroll information, board minutes and financial documents, the review of thousands of emails and correspondence, and interviews with City employees and other individuals to determine whether the city employee's actions violated provisions of the City Code's standards of conduct or other applicable statutes.

The investigation included a review of all rotation list contracts awarded over a 10-year period, including a review of the City's evaluation and ranking of each vendor that submitted a bid.

Weaver conducted background checks on relevant individuals and entities and interviewed individuals involved in the vendor evaluation process including department heads and members of the evaluation panel. The investigation also included a review of vendor submissions related to Woman-Owned Business Enterprise certifications.

VARIOUS MUNICIPALITIES

Over the past five years, Weaver has performed multiple forensic audits, investigations, internal control reviews, compliance monitoring and other consulting services for various municipalities Specific scopes of work have included:

- Analysis of grant compliance with economic development grants, including payroll, job creation and investment compliance features
- CDBG-MIT monitoring services to ensure the city followed all applicable federal regulations, including compliance with operational and internal control requirements
- Review of transactions involving outside vendors/third-party operators
- Analysis of construction projects, including solicitation and procurement processes as well as the contract administration
- Review of municipal purchases and expenditures related to COVID-19 relief funds
- Review of vendor contract to provide facility entertainment management services for the music amphitheater
- Evaluation of internal and operational controls across the municipal Solid Waste Department, including verification of collection and accuracy of fees

VARIOUS INDEPENDENT SCHOOL DISTRICTS

Over the past five years, Weaver has performed multiple forensic audits and investigations for school districts into matters such as financial mismanagement and excess spending, payments to vendors, contractors and third parties, construction costs and suspected kickbacks. Specific scopes of work have included:

- Review of expenditures related to bond proceeds and overall review of expenditures for vendors and contractors for a five-year period
- Analysis and documentation of accounting practices and bond processes at all levels, including bidding, budgeting and billing
- Review of construction budgets, the contractor selection process, contracts and the selection of subcontractors by the general contractor
- Review of the hiring practices, job descriptions, compensation plans and organizational structure. Review of policies and procedures to identify gaps in internal and operational controls

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During one engagement, our team analyzed thousands of pages of documents — including architectural renderings, construction contracts, budgets, disbursements, final inspections, and insurance claims for hurricane damage — and interviewed more than 140 people to determine how the construction program was managed and where the money went.

As needed, Weaver has assisted law enforcement and state agencies seeking prosecution and restitution concerning the fraud, waste and abuse identified during the investigation.

c. Compliance Audit

Our team has real-world experience performing multifaceted compliance audits, from reviewing financial statements for accuracy, to comprehensive auditing of third-party vendors to ensure accurate reporting of fees, sales, or charges, as well as overall compliance with contract terms.

As an independent party, we're often responsible for conducting financial and performance audits of vendors and contractors to ensure:

- Compliance with relevant statutes, regulations, policies, and guidelines
- Responsible oversight of awarded funds is in place, include grant funds
- Implementation of required programs, goals, objectives, tasks, products, timelines, and schedules
- Timely identification of issues and problems that may impede completion of the tasks

In Focus: Grant Compliance

The Weaver team's end-to-end grant compliance process is focused on taking each client and subrecipients past barriers, gaps and noncompliance to help them meet their strategic goals.

We look beyond the day's paperwork to examine underlying processes and support the effective use of funds to:

- **Design** grant management to maximize grant funding
- **Collaborate** with internal and external stakeholders to ensure impactful use
- **Develop** compliant policies and procedures to minimize risk
- **Monitor** and review grant compliance
- **Audit** grant expenditures
- **Evaluate** grant controls
- **Create** effective frameworks aligned with treasury guidance for reporting compliance
- **Ensure** compliance with the rules and regulations to avoid a loss of stakeholder and community confidence

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"Weaver has done a fantastic job reviewing our policies and procedures to fill in any missing information or requirements needed for the Community Development Block grant for Disaster Recovery (CDBG-DR) grant. **With their assessments, not only do they identify missing information, but areas of enhancement that could use more documentation or clarification**.

Weaver is extremely easy to communicate with and is very responsive. Even after an audit visit has concluded, they are more than willing to provide further guidance or information to assist in correcting a finding. We truly enjoy our relationship with Weaver and look forward to working with them in the future. **They have absolutely brought valuable knowledge and guidance to our program**."

— Weaver Government Client

Representative Engagements

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS (CPRIT)

The Texas Legislature created CPRIT to take on one of the great medical research challenges of our time. The institute raises public bonds to fund $3 billion in research each biennium.

In 2014, when CPRIT was facing intense public and legislative scrutiny, the agency needed a team with a deep background in state government finance, audit and risk assessment to ensure good stewardship of every dollar allocated to cancer research. CPRIT selected Weaver to build an objective, reliable, fraud-resistant grant compliance program that encompassed every aspect of its operations, from the panel evaluating grant applications to monitoring of grant recipients.

Weaver developed a risk-based methodology to risk-rate each contract in the $1.9 billion portfolio, which could be used to determine the frequency and extent to which monitoring procedures would be performed for each recipient. The model is still utilized by CPRIT to guide its monitoring program.

TEXAS DEPARTMENT OF INSURANCE (DIR)

Weaver reviewed the internal control procedures of a Special Deputy Receiver (SDR), and the insurance companies the SDR was managing under the TDI Rehabilitation and Liquidation process. Weaver also performed compliance audits over multiple receiverships to validate internal controls and monitor the custody and care of the assets.

In total, four entities' internal controls, including IT controls, were assessed and recommendations were provided regarding how each entity was supporting their environments. We also reported on and provided recommendations regarding the risks associated with legacy systems and limited IT staff.

TEXAS DEPARTMENT OF MOTOR VEHICLES (TXDMV)

In 2018, Weaver was selected to conduct a program audit of the calendar year 2004 Single State Registration System (SSRS) records, as well as the TxDPS and TxDMV records regarding expenditures on motor carrier safety programs and motor carrier enforcement. The goals of these audits were to determine the amount of revenue that the state of Texas received under SSRS for the calendar year 2004 and the amount that TxDPS and TxDMV spent in fiscal year 2018 on motor carrier safety programs and motor carrier enforcement.

Weaver ultimately saved the Department approximately $40,000 in audit fees when it was determined that the available records and documentation were not sufficient to accomplish the Department's objectives.

UNIVERSITY OF TEXAS SYSTEM (UT SYSTEM)

At four different UT institutions, including UT Southwestern Medical Center, Weaver has performed agreed-upon procedures (AUPs) over grants received from CPRIT.

These AUPs examined each organization's compliance with CPRIT administrative rules and applicable statutory requirements, grant budget terms and conditions, CPRIT Policies and Procedures guide, and internal policies of each institution.

AUSTIN COMMUNITY COLLEGE DISTRICT (ACC)

ACC is among the largest institutions of higher education in the nation, with 11 campuses serving 76,000 students each year. It has won recognition as a top choice for high school graduates and older adults, as a top-25 community college choice for Hispanics, as one of ten National Truth, Racial Healing and Transformation Campus Center, and as one of *Forbes Magazine*'s "Best Places to Work." At this scale, and with 11 campuses and more than 100 academic programs, ACC needs sophisticated, customized support from firms like Weaver.

Weaver served as ACC's outsourced internal auditor for five years, executing audits over operational, financial, and IT areas; grant management; and construction audits.

While Weaver was the internal auditor for ACC, we performed several audits related to the procurement and contracting process. Our audits included procurement audits, contract management audits and audits of specific contracts.

As part of those audits, we examined the selection of vendors and compliance with Texas procurement statutes. We also examined the contract files for completeness, as well as audited the contract termination and close-out process. The contract audit services provided to ACC included janitorial contracts, construction contracts for ACC's bond program and joint development contracts for the Highlands Mall mixed-use development projects with contracts worth more than $300 million.

HOUSTON-GALVESTON AREA COUNCIL (H-GAC)

H-GAC is the region-wide voluntary association of local governments in the 13-county Gulf Coast Planning Region of Texas. Its service area is 12,500 square miles and contains more than 6 million people in Southeast Texas. H-GAC is the regional organization through which local governments consider issues and cooperate in solving area-wide problems.

As the need for H-GAC's assistance and associated value of grants distributed increased, H-GAC identified a need for help with managing and monitoring grants to ensure ongoing compliance and accurate reporting. They turned to Weaver.

Weaver has provided ongoing grant monitoring services. Using a risk-rated approach that examines key risk factors to focus our efforts where they're most needed, our team audits reimbursements to subrecipients of grants, examining those recipients' eligibility and the legitimacy of charges.

After Hurricane Ike, Weaver also verified the eligibility of recipients for state and federal funds and later audited those reimbursements. In addition to the disaster relief grants, Weaver has audited over 25 subrecipients of other grants distributed by H-GAC.

Our team also performs ongoing grant monitoring services. We performed initial reviews over all new H-GAC grant recipients and are deployed to monitor grant recipients for which thorough, detailed procedures are necessary, and for which H-GAC is focused on increasing the maturity the recipients' controls and systems.

We also developed a grant management guide for H-GAC, to assist them in developing policies and procedures for the distribution and monitoring of U.S. Department of Transportation funds.

As a result of Weaver's monitoring and audit efforts, H-GAC has gained added assurance that subrecipients are in compliance with federal and state laws and regulations, as well as specific grant requirements. Through our detailed programmatic and financial analysis procedures of H-GAC's grant recipients, we have identified several entities with deficiencies that were ultimately unable to satisfy the contractual grant requirements. By ensuring that subrecipients are not receiving compensation from multiple agencies for the same loss, H-GAC can be confident in its ability to maximize the assistance and impact of the grants it distributes.

CITY OF HOUSTON

For more than a decade, Weaver has performed a wide variety of services for Houston, which is the fourth-largest city in the U.S. Our work has included performance audits, process improvement and IT-related engagements, including risk assessments, process evaluations and internal control assessments over payroll, purchasing, accounts payable, accounts receivable, cash handling, debt financing and more.

For almost three years, we worked with City's housing and community development project on multiple HUD programs. The work spanned six years of funding and hundreds of millions of dollars in grants, as we assisted the City in restructuring its grant administration processes, strengthening internal controls and creating reporting to remediate findings from HUD. We also documented compliance risk for the City's Housing Department.

Weaver has a long-standing relationship with the City of Houston, including provided consulting services related to pay differentials between the City's Police Department and Fire Department. As the City embarked on an initiative to ensure equitable pay between the two departments, we assisted the City in evaluating their salary methodology and calculations.

CITY OF IRVING

The City of Irving is one of the top-15 most populous cities in Texas and one of the most culturally diverse cities in the U.S. The City contains an extensive mixed-use master-planned community and a portion of the Dallas/Fort Worth International Airport.

Weaver has performed extensive onsite monitoring of the CDBG Home Investment Partnerships Program to assess performance and compliance with federal program regulations. We completed an Office of Housing and Urban Development (HUD) monitoring report summarizing our procedures and results along with recommendations for improvement in operating the program, utilization of Community Housing Development Organizations and managing the use of grant funds.

Weaver also serves as the City's financial auditor, and has conducted multiple internal audits, including a franchise fee audit and hotel and occupancy tax audits.

CITY OF MOORE, OK

The City of Moore (the City) is one of top ten largest cities in the state of Oklahoma. In 2013, the City was the site of a devastating tornado and subsequently received significant CDBG-DR funds to assist with long-term recovery efforts.

Weaver performs internal audit services for the City of Moore, OK regarding the utilization and compliance of CDBG-DR funds for infrastructure projects.

The audits evaluate the completeness of policies and procedures and the effectiveness of internal controls, processes and practices for the execution, management and monitoring of CDBG-DR infrastructure projects to comply with federal, state and local requirements.

HARRIS COUNTY

While at his previous firm, Weaver team member Todd Hoffman led a team assisting Harris County — the 3rd most populous county in the U.S. — with the strategy, planning, execution, compliance and procurement of over $1.58 billion of disaster recovery and grants management in response to Hurricane Harvey.

Todd's team managed multiple grant funding sources including Federal Emergency Management Agency (FEMA), HUD CDBG-DR, Federal Highway Administration (FHWA) and others, and provided guidance to several components within the County, including the Community Services Department, Engineering Department, Purchasing Department, Auditor's Office, Sheriff's Department, Fire Marshal's Office and the Parks and Recreation Department. Todd's team also conducted a number of ongoing compliance monitoring activities for various funding sources.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Located in the nation's third largest county, HCDE provides a variety of special education services through alternative campuses and therapy services, as well as Head Start centers, after-school programming and the largest adult education program in the state.

As part of a larger grant monitoring engagement, Weaver evaluated HCDE's grant usage for allowability, and also performed a policy and procedure review to ensure overall efficiency and specific compliance with regulatory requirements.

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Assurance • Tax • Advisory

d. Information Systems Audits

IT Advisory Services

The professionals in Weaver's IT Advisory Services group have extensive experience providing real-world, implementable recommendations for improving information security, operational efficiency and reliability of IT systems, processes and controls — with deep, hands-on experience reviewing processes and procedures for complex environments and unique architectures.

The IT Advisory Services practice group was established in 2006, as IT systems rapidly grew both more complex and more vulnerable. Weaver has assisted in the development of national AICPA standards for System and Organization Controls (SOC) assessments, used to help document the security and reliability of IT service providers for their clients.

IT Internal Audit
Risk assessment
Internal controls

Outsourced SOX Compliance
Sarbanes-Oxley Section 404

SOC Examination Services
SOC 1, 2, and 3
SOC for Cybersecurity
SOC for Supply Chain

Cybersecurity
Develop, maintain and monitor up-to-date cybersecurity programs

Payment Card Industry Data Security Standards
Comply with credit card security requirements

CIO Advisory Services
Strategic and organizational guidance

IT Compliance
Meet your industry's standard framework: HIPAA, PCI, FDICIA, GLBA, CCPA, NIST, ISO 27001 and more

Consulting
Organization, strategy, implementation or problem-solving

Digital Transformation & Business Automation
Find the answers hidden in data you already have

We are also well versed in the standards and control frameworks used by leading organizations to manage compliance with regulations, including COBIT 2019, NIST 800-53, CIS 20 CSC, NIST-CSF, PCI-DSS, SOC, ISO 27001/27002, HIPAA, FERPA, FFIEC, FISMA and ITIL.

Certifications and Industry Involvement

Our highly experienced, full-time professionals that stay at the forefront of the industry through ongoing certifications. Some of the many certifications held by our team includes:

- Certified Information Systems Auditor (CISA)
- Certified Information Systems Manager (CISM)
- Certified Information Systems Security Professional (CISSP)
- Certificate of Cloud Security Knowledge (CCSK)
- Certified Cloud Security Professional (CCSP)
- Certified Data Privacy Solutions Engineer (CDPSE)
- Certified Ethical Hacker (CEH)
- Certified HITRUST CSF Practitioner (CCSFP)
- Certified in Risk and Information Systems Control (CRISC)
- Certified ISO 27001 Lead Auditor
- Cybersecurity Maturity Model Certification Registered Practitioner (CMMC RP)
- GIAC Certified Windows Security Administrator (GCWN)
- GIAC Forensic Examiner (GCFE)
- GIAC Penetration Tester (GPEN)
- GIAC Systems and Network Auditor (GSNA)
- Payment Card Industry Professional (PCIP)
- PCI Qualified Security Assessor (QSA)
- AICPA Advanced SOC for Service Organizations Certificate

Our professionals also stay abreast of best practices, industry trends and compliance issues through active participation in numerous professional and industry associations.

- Member, Information Systems Audit and Control Association (**ISACA**), Board Member (North Texas Chapter), Past President (North Texas Chapter) and Vice President – Education (North Texas Chapter)
- Member, International Information Systems Security Certification Consortium (**ISC2**)
- Executive Committee Member, American Institute of Certified Public Accountants (**AICPA**) Information Management and Technology Assurance (**IMTA**)
- Chair, Cybersecurity Task Force, IMTA Executive Committee
- Member, Cloud Security Alliance (**CSA**), Trusted Cloud Consultant (**TCC**), Certified STAR Auditor, Working Group Team Leader - Cloud Controls Matrix (**CCM**) mapping to National Institute of Standards and Technology (**NIST**) Cybersecurity Framework (**CSF**), Certificate of Competence in Zero Trust (**CCZT**) Beta Test Contributor
- SOC Task Force, AICPA Information Technology Executive Committee (**ITEC**)
- AICPA SOC for Service Organization School Graduate and Presenter at AICPA's National SOC School
- Member, International Association of Privacy Professionals (**IAPP**)
- Member, Federal Bureau of Investigation (**FBI**) InfraGard Chapter
- Member, Michigan Council of Women in Technology Foundation
- Member, **Tech Titans** and Tri-Chair, Cybersecurity Forum of Tech Titans

In Focus: Data Governance and Privacy Services

Appropriate governance of data is important for strategic decision making.

Weaver provides tailored procedures to improve the data governance posture across organizations through our understanding of diverse technology, privacy and security standards, and industry requirements, which include:

- Evaluating the current **protection methods** of key data practices
- **Measuring the maturity** of existing data governance program
- Developing a **roadmap to implement** a data privacy and governance program
- Assessing **records management** process and procedures
- Evaluating data and privacy governance programs against industry standards, legal/regulatory requirements, and organization policies to meet **compliance obligations**
- Identifying risks that impact data and privacy governance and prioritize mitigation activities

Governance/ Management	Agreement, Notice, and Communication	Collection and Creation
Use, Retention, and Disposal	Access	Disclosure for Third Parties
Secure for Privacy	Data Integrity and Quality	Monitoring and Enforcement

With experience helping clients implement and review data privacy and governance frameworks and standards — NIST-PF, DGI, NISTIR 8062, HIPAA Security Rule, ISO 29100, COBIT 19 series and others — Weaver has the broad perspective required to help meet your data privacy and governance needs.

In Focus: SOC and ISO Services

Depending on the nature of services that specific entities provide, third party reporting may be required to the users of services.

Weaver can assist in executing System & Organization Control Reports (SOC), as well as readiness activities and the examination and subsequent reporting. We can also assist in ISO readiness, ISO Internal Audit, and/or ISO Certification needs.

	ASSERTION-BASED EXAMINATION ENGAGEMENT	DIRECT EXAMINATION ENGAGEMENT	REVIEW ENGAGEMENTS	AGREED-UPON PROCEDURES ENGAGEMENT
OBJECTIVE	External Audit over a Framework	External Audit over a Framework	Recommendations for Adherence with a Framework	Specific Procedures Performed over a Framework for Specified Users
INFORMATION PROVIDED TO USERS	Opinion, Description of Environment in Relation to Framework, Procedures Performed, Results	Opinion, Description of Environment in Relation to Framework, Procedures Performed, Results	Written Report, Conclusion, Recommendations	Conclusion, Procedures Performed, Results
ASSURANCE	High	High	None	Moderate
SUBJECT MATTER	SOC 1, SOC 2, Compliance, Specified Subject Matter	SOC 2, Specified Subject Matter	Any Subject Matter	Compliance, Laws, Regulations, Contracts, etc., Specified Subject Matter

In Focus: PCI-DSS Compliance

If your organization accepts or processes payment cards, the Payment Card Industry Data Security Standard (PCI-DSS) applies to you.

For organizations that store, process, transmit or could affect the security of cardholder data, Weaver conducts data security assessments and assists in complying with stringent PCI-DSS standards.

Weaver is a PCI-QSA firm that issues:

PCI Attestation of Compliance (AOC)	Reports on Compliance (ROC)	Self-Assessment Questionnaires (SAQ)

Our Qualified Security Assessors (QSA) can ensure that your organization meets and adheres to the following PCI-DSS goals and requirements:

- Build and maintain a secure network and systems using firewalls to protect cardholder data, and ensure that vendor-supplied defaults for system passwords and other security parameters are not used.
- Protect cardholder data and encrypt its transmission across open, public networks.
- Maintain a vulnerability management program with secure systems and applications, plus regular updates to anti-virus software and programs.
- Implement strong access control measures by restricting access to cardholder data (both electronic and physical) on a "need to know" basis.
- Regularly monitor and test networks and track all access to cardholder data.
- Maintain an information security policy that addresses information security for all personnel.

In Focus: Business Continuity

Resilience is more than an isolated project — building resilience and business continuity plans is a multi-faceted integral part of an organization's health.

We can assess disaster recovery plan and processes and business continuity/continuity of operations processes to help assess vulnerabilities and capacities, and provide recommendations for enhancing resiliency in the face of crises. Whatever the future, we're here to help manage it by developing the right resources to mitigate damage, recover, and build resilient organizations.

In Focus: Digital Transformation and Automation Support

Imagine a world in which every audit starts with a suite of analytics already prepared for your teams to help them target higher-risk transactions, test entire populations and give them answers to questions that they didn't even know to ask.

We can make that a reality.

For internal auditors, data analytics offers enormous potential for improving operations and unlocking potential. When properly deployed, data analytics can supercharge internal audit functions and generate significant cost savings.

Despite these benefits, many internal audit teams struggle with finding the right people who have the talent and understanding of business processes and technology to leverage the power of data analytics for internal audits. Even if the right people are in place, the internal audit function can quickly be overloaded with other demands of the business. As a result, many businesses have been unable to build a recurring program of analytics that audit teams can rely on consistently.

We're Here to Help

Weaver's Digital Transformation and Automation (DTA) staff of former engineers, internal auditors, CPAs, IT professionals and others have the knowledge and experience to build a customized system for effectively using data analytics as part of your overall internal audit function.

We "plug in" to your existing audit planning process and work with your team to identify valuable analytics for each of your scoped audits, from exploratory data analysis to programmatic audit testing. We leverage our years of experience performing internal audits and analyzing data sets across many clients to bring insights about your business. Our customized recommendations can help improve not only the control environment, but the business as a whole.

Digital Transformation
Strategic guidance on becoming a "Data-Driven Organization"

Reporting Enhancement & Visualization
Make the most of data you already have

Process Automation
Enhancing an existing automation solution, or using Weaver's tools to develop a functional solution

Software and Tool Development
Licensable tools and applications

Instead of applying a library of scripts to your environment, we leverage our design thinking methodology to develop customized scripts that reflect the unique objectives, risks, and pain points of your business. Implementing data analytics can be a complex process for any organization. Our methodology leverages three separate tiers of analytics aligned with your needs.

Weaver is a thought leader in the areas of organizational growth, innovation and transformation; scan the QR code to view our ongoing blog series, **Your Guide to a Successful Digital Transformation**.

Representative Engagements

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM (CALSTRS)

CalSTRS is the largest educator-only pension fund in the world and the second largest U.S. public pension fund, with nearly a million members and beneficiaries and a $308.6 billion portfolio. Weaver is a preferred vendor for internal audit, enterprise compliance and IT advisory related-services.

Our IT Advisory team has performed various audits on application incident management, cloud computing and security, the software development lifecycle, and disaster recovery processes. We're in the progress of performing an IT Risk Assessment, and are engaged to perform an incident response internal audit.

CalSTRS is implementing a new pension solution and Weaver executed a Project Health Assessment, which included reviewing existing processes, such as requirements, data migration, system testing, user acceptance testing, and configuration management processes.

TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR)

Texas DIR provides leadership to IT organizations across Texas. With leadership comes responsibility. To that end, DIR had the courage to examine the agency's governance over its statutory responsibilities, and even over its IT environment. Weaver, therefore, performed a co-sourced internal audit of DIR governance processes.

The assessment was designed to determine the maturity of DIR's overall governance, as well as governance specific to the IT function. The scope focused on the framework and procedures put in place by the DIR Board and Executive Leadership Team (ELT) to inform, direct, manage and monitor the organization's activities, including the enterprise programs delivered by DIR in alignment with its strategic objectives.

In this assessment, Weaver reviewed DIR's IT governance, consisting of the leadership, organizational structure, policies and processes that ensure the IT function supports the organization's strategic objectives. Weaver developed and customized governance and IT governance maturity models against which DIR's maturity was evaluated.

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS (CPRIT)

The Texas Legislature created CPRIT to take on one of the great medical research challenges of our time. The institute raises public bonds to fund $3 billion in research each biennium.

As part of our role as the outsourced internal auditor for CPRIT, Weaver performed a multi-year IT security control assessment that involved evaluating security policies and procedures, network architecture, configuration and patch management, defensive security measures, vulnerability management, and data security.

EMPLOYEES RETIREMENT SYSTEM OF TEXAS (ERS)

Employees Retirement System of Texas (ERS) is one of the largest public pension funds in the world, with over $35 billion in assets. The agency manages both retirement funds and health insurance for both active employees and retirees from Texas state agencies and some higher education institutions. In addition to administering these plans, ERS is responsible for managing investments to fund these benefits.

Weaver, as part of annual internal audit plans, has performed various subject matter-specific IT related internal audits.

These audits have included internal audits over Oracle database administration, security information and event monitoring tool, data loss prevention tool, cybersecurity framework, post-COVID / remote technology, disaster recovery, system implementation process for policy administration system, and a web administration internal audit.

We also performed audits to review the design of the vulnerability management process and assess the accuracy of the configurations utilized for detecting and analyzing assets.

Weaver also facilitated the agency's update to their enterprise risk management framework, business impact analysis (BIA), and performed a series of table top exercises to evaluate the agencies readiness in the event of a major incident or disaster. Weaver provided assistance in evaluating solutions to address RTO/RPO expectations that support the agency's BIA and strategic/operational needs. Weaver has also worked with internal audit and the information security office to present a coordinated training on how to read and interpret SOC reports to contract managers.

TEXAS DEPARTMENT OF LICENSING AND REGULATION (TDLR)

As TDLR's internal auditor, Weaver assisted TDLR by reviewing and providing comments on a draft Request for Proposal to solicit new license-management IT systems.

Our IT Advisory Services and Risk Advisory Services professionals helped the agency to define its requirements so that potential vendors had a clear description of what the agency needed in its new system.

TEXAS WINDSTORM INSURANCE ASSOCIATION (TWIA)

Weaver performed an internal audit over application and database security, administration and recovery by evaluating whether policies and procedures have been established and whether internal controls are well defined and operating effectively to manage applications and related databases in the following areas:

- Security Administration and Access Management
- Security Audit Logging and Monitoring
- Patch Management
- Backup and Recovery
- Interfaces
- Licensing

TEXAS GENERAL LAND OFFICE (GLO)

Weaver performed a comprehensive IT audit of the Agency's T-RecS system to identify and evaluate the application security risk and controls, including infrastructure administration and support and information security management.

We also reviewed selected cybersecurity related process areas that included Vulnerability Management and Logging and Monitoring (SIEM related) processes. Our assessment incorporated relevant aspects of both the NIST and TAC202 frameworks.

TEXAS DEPARTMENT OF MOTOR VEHICLES (TXDMV)

Weaver provides TxDMV with co-sourced IT audit resources to assist their internal audit department in evaluating technology and security as part of their annual internal audit requirements.

We've also performed an analytics engagement to help TxDMV identify unusual temporary tag activity and highlight control gaps.

ELECTRIC RELIABILITY COUNCIL OF TEXAS (ERCOT)

ERCOT operates the state's electrical grid, handling 90% of the state's electric load and supplying power to more than 25 million of its citizens.

Weaver was selected to provide ERCOT's SOC 1 attestation services, giving ERCOT transparency regarding its internal control environment and assurance that the controls in place are designed and operating effectively.

CITY OF DALLAS

The ninth largest city in the U.S., Dallas is a large, highly complex organization that must balance competing needs against limited budgets. The City, therefore, relies on experienced firms like Weaver to help provide the most value for every taxpayer dollar.

In 2020, we were also contracted by the Office of the City Auditor to provide audit and non-audit services as needed.

Under this contract, Weaver recently performed an internal audit of the City's incident response management and backup maintenance, providing recommendations to improve both efficiency and internal controls. We have also been engaged to perform an audit over body worn and in-car cameras.

CITY OF HOUSTON

For more than a decade, Weaver has performed a wide variety of services for Houston, which is the fourth-largest city in the U.S.

Weaver has performed a pre-implementation review of the implementation of a new Infor Public Sector (IPS) system to replace the City's mainframe legacy billing system within the Public Works & Engineering (PWE) division. The engagement was conducted under Weaver's Deliverables-Based IT Services (DBITS) contract through the DIR.

The project resulted in a number of recommendations that assisted PWE with bringing the risk of an unsuccessful implementation of the new billing system down to acceptable levels prior to the decision to go-live.

DALLAS AREA RAPID TRANSIT (DART)

DART is a regional transit agency operates light rail, commuter rail, bus routes and HOV lanes. DART serves over 35 million riders annually across twelve member cities throughout the Dallas-Fort Worth metroplex.

Weaver has previously performed an audit over DART's Intelligent Transit System to help the agency ensure the accurate and coordinated dissemination of system information.

We also provided IT audit services on behalf of DART's Office of Internal Audit to include an assessment of the process, relevant risk factors and corresponding internal control environment of DART's data center operations.

SAN DIEGO COUNTY EMPLOYEE RETIREMENT ASSOCIATION (SDCERA)

SDCERA is public retirement system administering retirement, disability and survivor benefits to its thousands and members and beneficiaries, with over $16 billion in assets under management. Weaver is part of the vendor pool for organizational activities, information technology and investments-related services.

Subsequently, Weaver was selected to perform a comprehensive risk assessment of SDCERA's Information Technology (IT) environment.

As part of this engagement, our team is in the process of evaluating controls over information security governance, data management, change management, network administration, access management, end-user computing and operations.

FORT WORTH ISD

In 2021, Weaver performed a cybersecurity maturity assessment for the District over the technology environment, and will be performing a follow-up engagement next year.

We've also provided support through the implementation of ERP and IT controls, as well as also performed an operational assessment of position control, requested by the Board, to evaluate and explain budget overruns and determine what controls needed to be added or adjusted in order to ensure budget and staffing tables were adhered to.

HOUSTON INDEPENDENT SCHOOL DISTRICT (HISD)

HISD is the largest school district in Texas and the eighth-largest in the U.S. It serves almost 200,000 students, almost 80% of them economically disadvantaged, in 276 schools from pre-K to high school. With general fund expenditures exceeding $2 billion/year, Houston ISD requires sophisticated financial management and experienced auditors like Weaver.

Weaver has been the external financial and compliance auditor for Houston ISD since 2017, including audits over IT controls related to its SAP system. In addition, we were awarded an MSA with the district for non-financial audits, consulting, investigations, IT and similar services.

We broadly assess the design and effectiveness of IT processes supporting the district's most critical information systems, and we have worked with various ERP (Enterprise Resource Planning) software, including SAP.

UNIVERSITY OF TEXAS SYSTEM (UT SYSTEM)

Weaver's IT Advisory team has been engaged by the UT System to map Information Resources Use and Security Policy (UTS 165) standards to NIST 800-5325 and Texas Administrative Code control standards, as part of the UT System Administration Office of Information Security's (ISO's) review and update of UTS 165.

For the University of Texas at Arlington, Weaver has performed compliance capability gap assessments related to Department of Defense (DOD) Cybersecurity Maturity Model Certification (CMMC) requirements for the Office of the Chief Information Security Officer (CISO). We also delivered training to the Office of the CISO and related IT members.

e. Data Analytics / Continuous Monitoring

Advanced data analytics tools and robotic process automation (RPA) offer new possibilities to public organizations, just as they have for big private companies. These tools will allow North Carolina agencies and universities to leverage their existing data to improve effectiveness, efficiency and user satisfaction.

Weaver's in-house Digital Transformation and Automation Services practice group provides the tools for government and higher education organizations to leverage these innovations. Process automation, customized dashboards and strategic data analysis have enabled our clients to reach new strategic goals.

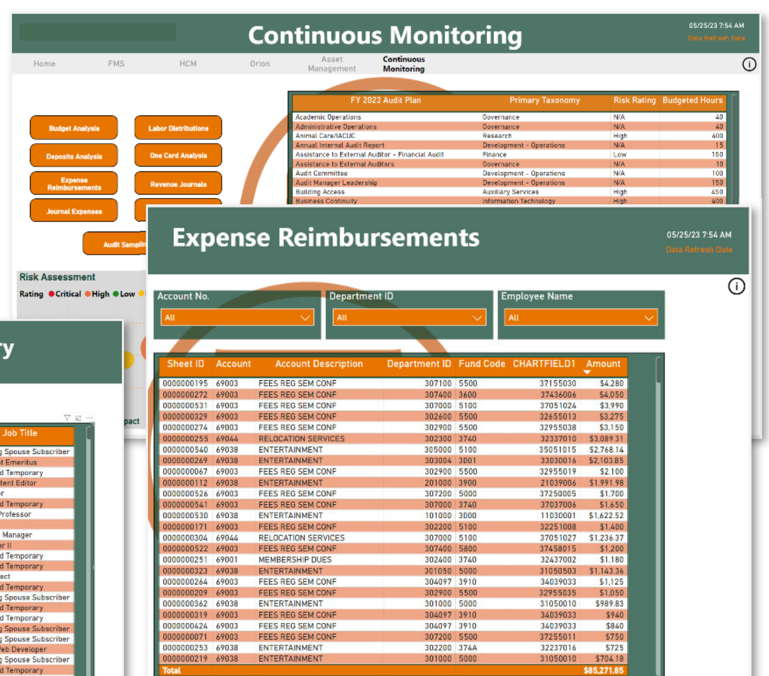
More than just analytics. **Insight.**

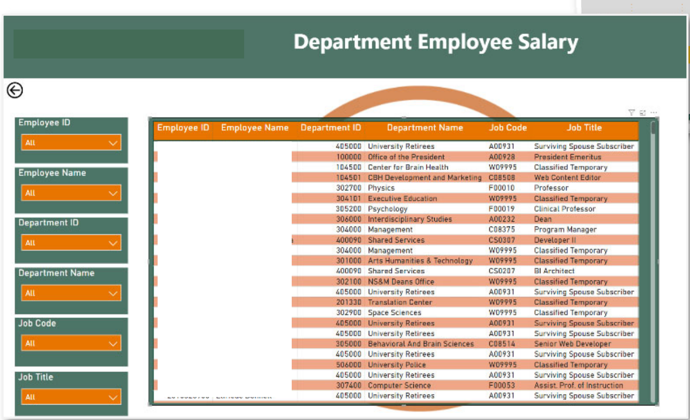
Our analytics do more than just identify random anomalies. Based on the available data, we highlight common areas that may have an impact on internal controls and business objectives to provide insight that the business can use to operate more effectively.

Based on the data available, we generate a dashboard of insights that help you understand the efficiency and effectiveness of your processes. Furthermore, your dashboard is not limited to the periodic updates. We share the dashboard source file allowing you to generate the information on demand, and with our process automation service line, we can even help you set up the dashboard to update in real-time.

Our services are application- and service-independent, so our team can help you streamline and simplify your processes by maximizing your current systems so your team can access data and reporting at the click of a button. The continuous monitoring programs we develop allows internal audit *to do more auditing* with the same number of resources and test entire data sets instead of representative samples, provide greater insight.

Our experience spans a variety of process automation, data architecture, data visualization and recurring analytics for multiple departments, including procurement and accounts payable. Our engagements range from providing simple process improvements, to developing an entire cloud-based tool that compares and calculates financial data in minutes.





Representative Engagements

LOWER COLORADO RIVER AUTHORITY (LCRA)

As LCRA's sole internal audit provider, Weaver has supported one of LCRA's primary strategic initiatives by providing process automation services to lead the way for digital transformation.

We've supported the organizational objective of becoming a data-driven agency with increased use of process automation and data analytics by identifying and developing solutions during the course of internal audits.

Through our collaborative analytics programs, we work with management to identify valuable business analytics while also generating control and red-flag analytics to identify potential high risk or fraudulent transactions. These analytics have given LCRA more real-time insights in their business, while also directly identifying control gaps enhancing the integrity of the overall control environment.

Activities include helping develop product roadmaps, evaluating Robotic Process Automation (RPA) solutions and building PowerBI operational monitoring dashboards that identify transactions that are potentially fraudulent, erroneous or abnormal.

STATE OF OKLAHOMA – SERVICE OKLAHOMA

Service Oklahoma is developing a best-in-class model to serve Oklahoma constituents. As with any new organization that's acquiring and integrating existing processes, there are various challenges to aligning and directing the resources that will provide the efficient, high-quality experience envisioned by the Governor and expected by Oklahomans.

Leveraging the power of analytics, Weaver is building a staffing model that accounts for workload, seasonality, policy imperatives (such as Real ID) and other factors to identify resource and skill gaps to maximize the existing investment in current staff and application functionality.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM (CALSTRS)

CalSTRS is the largest educator-only pension fund in the world and the second largest U.S. public pension fund, with nearly a million members and beneficiaries and a $308.6 billion portfolio. Weaver has since become a preferred vendor for internal audit, enterprise compliance and IT advisory related-services.

Over the course of our internal audits over investment risks, Weaver's Digital Transformation and Automation team is working to leverage analytics to review the growth of asset classes/accounts, trade errors, new accounts or asset classes, trading volume, and other areas of risk that can be used to help identify emerging or evolving risks.

HOUSTON-GALVESTON AREA COUNCIL (H-GAC)

H-GAC is the region-wide voluntary association of local governments in the 13-county Gulf Coast Planning Region of Texas. Its service area is 12,500 square miles and contains more than 6 million people in Southeast Texas. H-GAC is the regional organization through which local governments consider issues and cooperate in solving area-wide problems.

We've assisted in evaluating processes and identifying opportunities for automation, as well as potential streamlining related to robotic process automation and analytics. As part of this engagement, we also crafted functional design documents to assist with future implementation solutions.

LONE STAR COLLEGE (LSC)

Lone Star College (LSC) is a network of eight campuses serving over 85,000 students and adding nearly three billion dollars to its regional economy. However, their Audit and Consulting Services department needed data quality assessment services within their PeopleSoft Application.

Identifying the most critical reports and information consumed by LSC's reporting stakeholders and how they were consuming that information presented the team with a potentially a time-consuming activity. However, with our leading technology and experience in the higher education educational space, we were able to dramatically accelerate this process for LSC while simultaneously reducing the impact on their stakeholders.

We achieved this by taking a three-point approach to the identification of critical reports and information:

- **Reporting analytics** — We analyzed the utilization of reports across the suite of PeopleSoft applications and the users generating those reports. By leveraging this data, we built a picture of how information was being consumed by the stakeholders.
- **Leveraging our experience management platform, DropThought** — With this tool, we took that information and solicited feedback from many stakeholders. We classified groups of stakeholders based on the reporting analytics so that they could share their experience, primary data fields used, common issues and level of importance of the reports from their grouping. Furthermore, this tool allowed us to solicit information on any reports that weren't included, private queries that were heavily utilized and other areas where they aggregated data manually.
- **Facilitated sessions** — After compiling the results of the reporting analytics and the experience management feedback, we facilitated sessions with key stakeholders and small groups to validate our understanding, identify any final additions to the reports and obtain feedback on the data sets identified as critical.

Using the results of the critical data identification exercise, we built a data lineage for each data element starting at the reporting layer, through the reporting database, including points of integration and finally to the source data so that the client could see every step of their data's journey before it is consumed by the stakeholders.

Leveraging the power of our data analytics tools and platforms like Alteryx, we built reconciliation "flows" for each of the data elements that traced that element through its journey and identified differences at each step of the transition. Furthermore, these flows were repeatable and we were able to share them with Lone Star to be implemented in their environment to support maintaining the integrity of the data in the future.

UNIVERSITY OF TEXAS AT DALLAS (UTD)

UTD is a Carnegie R1 classification (Doctoral Universities — Highest research activity) institution, located in a suburban setting 20 miles north of downtown Dallas. The University has a student body of more than 26,700. UTD's faculty includes more than 560 tenured and tenure-track professors.

UTD was seeking a firm to develop a data analytics program and strategy that their Office of Audit and Consulting Services could use to independently maintain for audits and other various projects.

The first step of the engagement consisted of conducting a planning meeting with key stakeholders to gain an understanding of the currently known data assets, needs, and stakeholders to be involved in the discovery process. Based on this gap assessment, we did the following:

- Developed a schedule of interviews with identified stakeholders to understand the location of the data assets
- Began to develop a data dictionary that identified transactional golden keys
- Identified potential avenues to create data pipelines to the analysis database

With the information gathered in the stakeholder interviews as well as reviewing data extracts of the key data sources, we designed a data collection methodology that considered current system deployments, restrictions, and functionality while also maximizing the integrity and efficiency of the pipeline.

We validated this architecture with the Office of Audit and Consulting Services as well as the business stakeholders and required IT personnel to ensure that the designed deployment aligns with the client's requirements.

We also worked with the management of the Office of Audit and Consulting Services to design the functional requirements of the analysis module, including the front-end interaction application, security requirements, specific standard analytics, custom audit-based analytics, and other functional capabilities to be developed in the solution.

Using the functional design documents, we developed prototypes of the reports. Each prototype was validated with the identified key stakeholders to ensure that the information was presented in the most effective way to fit their needs. We also coordinated with the IT support function to deploy the analytics within UTD's environment.

Based on the scope of work outlined and the availability of data, some of the analytics and continuous audit activities included reporting functions.

We designed reporting dashboards to translate the analysis activities into consumable information by the audit teams. Furthermore, we worked with management to design a resolution process for the evaluation of exception transactions including incorporating the results into the reporting to provide near real-time views of the status of resolution.

We also worked with management to deploy reporting to the appropriate individuals. Then, we led training and knowledge-sharing sessions that shared how the reporting could be leveraged to maximum effect, how to add incremental improvements, and how to create additional custom dashboards for audit reporting or additional monitored analytics. The training also covered how to generate the analytics both dynamically and on a scheduled basis.

MEDICAL CENTER HEALTH SYSTEM (FKA ECTOR COUNTY HOSPITAL SYSTEM)

Since 2006, Weaver has continually provided internal audit and process improvement advisory services to the District. Weaver has also created a program that automates the net AR calculations and bad debt reserve, which is the largest estimate on the hospital's financials.

Like many hospital systems, the District's method for calculating bad debt, contractual allowances, and other outstanding collections was a time-consuming, error-prone process involving multiple spreadsheets and manual entry.

Weaver's solution not only automates calculations, but also produces a detailed dashboard with both current data visualization and historical trends, improving accuracy, auditability and helping the District identify and solve problems sooner.

TARRANT REGIONAL WATER DISTRICT (TRWD)

We are currently engaged with TRWD to provide data science and business intelligence services to help them enhance, automate and streamline their expense report analysis and review processes, including highlighting red flag transactions, potential duplicates, and unusual trends among other analytics.

RANGE RESOURCES CORPORATION (RANGE)

For more than a decade, Weaver has helped Range, a large Fort Worth-based natural gas drilling company, through various operational and business changes. We've provided Range with a wide variety of automation and analysis services, including developing fully automated tools to generate actionable insights in key processes to manage expenses.

We also work directly with their RPA team to support their digital transformation journey including helping to develop continuous auditing tools, governance documentation related to citizen developer programs, identifying high-value RPA opportunities, and supporting the discovery and data governance process.

f. Risk Assessment and Audit Plan Development

The essence of accountancy is, in short, to control risk. We're particularly excited about proposing on this scope of work, bringing to North Carolina agencies and universities our robust experience in supporting organizations manage their risk profile while dramatically improving the efficacy of the services they provide their constituents and students.

In our role as an internal auditor, Weaver performs annual risk assessments and develops audit plans numerous state agencies.

Representative Engagements

LOWER COLORADO RIVER AUTHORITY (LCRA)

LCRA is a quasi-governmental entity self- funded by water and electricity revenues that produces and delivers over 3,300 megawatts of power, manages 5,400 miles of transmission lines, manages the lower Colorado River watershed to supply water and control floods, and provides a system of public parks.

In 2018, Weaver began assisting LCRA with internal audits, and in 2020 the firm was selected as LCRA's full co-sourced internal audit provider.

Weaver has provided internal audits over energy trading and commodity hedging, a cybersecurity maturity assessment, data analytics over the procure-to-pay cycle, enterprise safety, vendor management, procurement, asset modernization, facilities maintenance and safety programs. Weaver has mapped each of these audits against a risk-ranked list of critical enterprise risks, such as cyber-attack, regulatory action, human error, extreme weather events, and mission-critical equipment failure.

By providing a holistic view of LCRA's risks, providing industry benchmarks and best practices, supporting increased use of process automation and data analytics, and mapping controls to risks across the entire organization, Weaver has enabled LCRA to address its most critical risks and realize its strategic goals.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM (CALSTRS)

CalSTRS is the largest educator-only pension fund in the world and the second largest U.S. public pension fund, with nearly a million members and beneficiaries and a $308.6 billion portfolio. Weaver has since become a preferred vendor for internal audit, enterprise compliance and IT advisory related-services.

Weaver has conducted internal audits over the controls within the Investments Branch covering CalSTRS' Private Equity, Inflation Sensitive, and Sustainable Investment & Stewardship Strategies Program (SISS).

Weaver has also been engaged to conduct Internal Audit's risk assessment for the Investments branch to identify key risks and processes and develop the multi-year Internal Audit Plan for the function. Additionally, Weaver conducted a maturity assessment of CalSTRS' Enterprise Risk and Enterprise Compliance functions that included a governance of organization structure assessment, and was supported by both an internal 360 survey and a peer survey of other leading pension organizations.

We also developed and facilitated the compliance risk assessment process for Enterprise Compliance and are assisting with the development and implementation of a third-party risk management program and framework.

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS (CPRIT)

The Texas Legislature created the Cancer Prevention and Research Institute of Texas (CPRIT) to take on one of the great medical research challenges of our time. The institute raises public bonds to fund $3 billion in research each biennium.

Since 2015, Weaver has served as CPRIT's internal auditor. In that role, we have audited the performance of the agency's ongoing compliance functions, including grants administration and management. Through that process, we have worked with CPRIT to develop and improve its grant administration process, including the application, management and close-out cycles.

We also performed a multi-year IT security control assessment that involved evaluating security policies and procedures, network architecture, configuration and patch management, defensive security measures, vulnerability management and data security.

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE (ND RIO)

ND RIO coordinates the activities of the State Investment Board (SIB) and the Teacher's Fund for Retirement (TFFR). It has a fund of over $20B and more than 27,200 members and beneficiaries.

Weaver conducted a governance and internal business process reviews for ND RIO, assessing the placement and oversight of Internal Audit, the structure of work, and the governance, oversight and reporting with the Board.

We provided ND RIO with an Internal Audit Maturity Assessment, which entails a comprehensive review of the audit charter, Internal Audit's processes, current-state business needs analysis, and a knowledge / skills / ability assessment.

Based on the results of the assessment, Weaver provided the organization with a roadmap for the future state of Internal Audit, an investments internalization approach and an updated risk assessment and risk matrix.

EMPLOYEES RETIREMENT SYSTEM OF TEXAS (ERS)

ERS is one of the largest public pension funds in the world, with over $35 billion in assets. The agency manages both retirement funds and health insurance for both active employees and retirees from Texas state agencies and some higher education institutions. In addition to administering these plans, ERS is responsible for managing investments to fund these benefits.

Since 2013, Weaver has provided ERS with a wide spectrum of advisory services, centered on risk assessments and co-sourced internal audits. Our internal audit projects have examined investment activities over both private equity and real estate strategies, agency procedures and processes governing investment accounting and operations over the entire investment portfolio, ongoing manager due diligence, and valuation of alternative assets.

Weaver also performed fund management audits involving funds of more than $7 billion. The team assisted ERS' Internal Audit Division in developing its fiscal year Audit Plan and executed internal audits over retirement rules management. We assisted with the development of ERS' enterprise-wide risk assessment and worked with the organization across three years to expand the assessment across primary areas of the organization including investments, member services and administration.

TEXAS STATE LIBRARY AND ARCHIVES COMMISSION (TSLAC)

For more than a century, the TSLAC has preserved and provided public access to Texas' archival records, supported state and local libraries, and provided education resources to the state's citizens.

As the outsourced internal audit function for TSLAC, Weaver completed an internal audit risk assessment, developed a three-year internal audit plan, and performed a procedures and controls review for the significant processes.

We have performed internal audits over contract administration, which included reviewing the contracts for consistency and completeness, compliance with state guidelines, and the contract close-out process. Currently, we are executing internal audits over various operational and financial areas, including procurement.

Weaver regularly performs follow-up procedures over open internal audit findings to help provide TSLAC management confidence that audit findings are being effectively remediated.

Weaver was recently reawarded our internal audit contract with TSLAC following competative rebid.

TEXAS MEDICAL BOARD (TMB)

Weaver began as the outsourced internal auditor for TMB in 2019. We performed an internal audit risk assessment and developed a three-year internal audit plan for the agency, including audits of the licensing renewal and revenue processes.

Weaver completed the internal audit plan for FY 2020, including the annual reports to the Board, State Auditor's Office, Governor's Office, and LBB. Through 2021, we have continued executing the three-year internal audit plan, which includes follow-ups on open findings from the FY 2020 audits.

TEXAS COUNCIL FOR DEVELOPMENTAL DISABILITIES (TCDD)

As the outsourced internal auditor for TCDD since 2014, Weaver performs internal audit risk assessments, is executing a three-year internal audit plan, and has performed multiple internal audits for the agency, including grants management, governance and an agency-wide procedures and controls review.

TEXAS WINDSTORM INSURANCE ASSOCIATION (TWIA)

Founded in 1971, the TWIA is a state-affiliated entity that provides wind and hail insurance in 15 counties across the gulf coast, providing coverage to many properties that would be denied by other insurance carriers. TWIA has nearly 200,000 policies in force and over $4.2 billion in funding in preparation for hurricane season.

As TWIA's outsourced internal auditor, Weaver is responsible for organizing, managing and implementing all aspects of the Association's internal audit function, including risk assessments, preparation of the internal audit plan, executing internal audits and producing annual internal audit reports.

Key areas of focus include internal controls over financial reporting (ICFR), information technology general computer controls (ITGCs), cybersecurity, business continuity and disaster recovery plans, claims and underwriting, HR-related matters such as on/off-boarding and payroll, and major Association-wide projects.

TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)

TMRS is a statewide retirement system that administers retirement, disability and survivor benefits for over 900 participating municipalities.

Weaver performed internal audits involving alternative investment funds, which included investment operations and third-party due diligence of investment managers for the $1.3 billion in private equity and real estate assets within the portfolio, and completed a post-implementation audit of their mortality tables database.

TEXAS DEPARTMENT OF LICENSING AND REGULATION (TDLR)

TDLR is the state agency that oversees and regulates many different occupations, businesses, facilities and equipment. TDLR is tasked with ensuring that Texans are served by qualified professionals who protect public health and safety. At the same time, TDLR is charged with minimizing government interference and fostering a predictable regulatory climate. Weaver provides advisory services to support this agency in achieving this ambitious charge.

As the outsourced internal auditor for TDLR, Weaver works closely with management to establish goals, understand organizational challenges, identify risks, and prioritize concerns and work efforts. After completing a risk assessment, we work collaboratively with TDLR to complete its three-year audit plan.

The Weaver team performs audits over the agency's critical processes, including licensing and enforcement processes for approximately 40 programs managed by TDLR. To ensure the ongoing maturity of the program and that recommendations are implemented effectively, Weaver also provides follow-up on the remediation of audit findings.

As a result of the services provided, TDLR has developed a better understanding of its risk profile and appetite and has begun making improvements in key operational areas. This has enabled TDLR to minimize risk while increasing the efficiency and effectiveness of the process for licensing and enforcement. It has also helped the agency focus resources where they're needed most, thereby minimizing costs and enhancing the long-term strategic vision.

UNIVERSITY OF TEXAS SYSTEM (UT SYSTEM)

One of the nation's largest public university systems, the UT System includes 13 academic and health institutions, serves almost a quarter-million students every year, and expends more than $23 billion each year on education and research.

It operates five medical schools, soon to be six, and its medical research programs place it among the top 10 most innovative universities in the world, according to Reuters and the National Academy of Inventors.

Since 2018, Weaver has held a Master Services Agreement with UT System for Non-Exclusive Audit Services; our contract was recently renewed in Fall 2022 following competative bid. During this time, Weaver has been proud to support the UT System with a variety of services, including internal audits, grant compliance procedures, construction audits, organizational improvement consulting and IT consulting.

In addition to numerous other services for UT institutions, Weaver has performed internal audit services for the University of Texas at Arlington (UTA), including internal audit staff augmentation, attest and agreed-upon services, and CPRIT audits. Weaver also operated as UTA's outsourced internal audit team during a time when the University experienced a transition in its Chief Audit Executive.

During this time, Weaver was responsible for executing the internal audit plan for the 2018 – 2019 fiscal years. This range of services included audits of construction management, IT applications, IT services, student housing and records management.

AUSTIN COMMUNITY COLLEGE DISTRICT (ACC)

ACC is among the largest institutions of higher education in the nation, with 11 campuses serving 76,000 students each year. It has won recognition as a top choice for high school graduates and older adults, as a top-25 community college choice for Hispanics, as one of ten National Truth, Racial Healing and Transformation Campus Center, and as one of *Forbes Magazine*'s "Best Places to Work." At this scale, and with 11 campuses and more than 100 academic programs, ACC needs sophisticated, customized support from firms like Weaver.

Weaver served as ACC's outsourced internal auditor for five years, executing audits over operational, financial, and IT areas; grant management; and construction audits.

In our role as ACC's internal auditor, Weaver conducted numerous risk-based audits and evaluations over financial, operational and IT areas, including financial aid, compliance with OMB Title IV requirements, and other federal requirements.

ALAMO COLLEGES DISTRICT

Under Weaver's Deliverables-Based IT Services (DBITS) contract through the Texas DIR, Weaver conducted a district-wide IT risk assessment involving central district administration and the independent IT operations of five separate community college campuses.

We also performed co-sourced internal audits covering areas such as procurement and human resources. In 2016, Weaver served as the interim Chief Auditor to ensure audit operations continued during transition while the College was identifying full-time candidates, and Weaver currently serves as the District's financial auditor.

BLINN COLLEGE

Founded in 1883, today Blinn College has five campuses and offers nearly 20,000 students quality academic opportunities, resulting in the No. 1 academic transfer rate (from public junior college to traditional four-year university) in the state.

The College also has a unique partnership with the Texas A&M University system, offering a two-year co-enrollment opportunity. Participating students enroll in a certain number of courses at both Blinn College and Texas A&M; students who complete the required credit hours and achieve academic standards then receive guaranteed full-time admission to Texas A&M within two years or less.

As part of assisting the College in starting a formalized audit function, Weaver performed a college-wide risk assessment focused on IT, financial and operational areas of the organization.

After performing the risk assessment, the College then hired Weaver as its outsourced professional audit firm to provide ongoing services to address high-risk areas identified.

A three-year audit plan was developed, consisting of planned new audits, ad-hoc audit consulting, and annual reporting. Audit areas included the following:

- IT Services
- Cybersecurity
- Facilities and Maintenance
- Student Accounting and Financial Aid
- Business Continuity Planning (Consulting)
- Environmental Health and Safety (Consulting)
- Grant management and Monitoring
- Safety and Security (Including Police Operations)
- Campus Operations

Additionally, we also performed an Information Security audit, which applied state-specific criteria (aligned to the NIST-CSF) to a higher education technology environment.

COLLEGE OF THE MAINLAND (COM)

COM serves nearly 5,000 students across six campuses and six partnering high schools. COM is an Achieving the Dream Leader College, part of a national initiative to help more community college students succeed, particularly low-income students and students of color.

As COM's outsourced internal auditor, Weaver performed a College-wide risk assessment and developed a three-year internal audit plan for the College, focused on IT, financial and operational areas of the organization.

We've subsequently executed various internal audits, including IT general controls (ITGCs), IT Security, Financial Aid, Human Resources, Admissions and Registrar, Bursar and Cash Management, Student Services, Academics and Curricular, and DR/BCP. Our IT Security internal audit included comprehensive technical security criteria to assess the posture across all campus operations.

DEL MAR COLLEGE

Del Mar College enrolls over 24,000 students annually, and is one of the nation's top 50 higher education institutions granting associate degrees to Hispanic students.

As the outsourced internal auditor, Weaver reconstituted the internal function by creating an Internal Audit Charter and initiating a risk-based program.

In 2015, we started the College's internal audit function, by performing a College-wide risk assessment and developed a multi-year internal audit plan focused on financial, operational and IT areas of the college, including its not-for-profit foundation. We since performed multiple updates of the risk assessment and have completed a wide variety of internal audits as part of the multi-year plan, including financial aid, admissions and registration, student services, academic programs, construction management, campus operations, grant compliance, purchasing, human resources, and IT general controls (ITGCs).

LEE COLLEGE

As the College's outsourced internal auditor, Weaver performed a college-wide risk assessment in 2016 and developed a three-year internal audit plan for the College, focused on financial, operational and IT areas of the organization.

We have also executed various internal audits according to the plan, including financial aid, human resources, workforce development and continuing education, and IT general controls (ITGCs). We also recently completed significant college-wide engagement that addresses cash management and cashiering across multiple departments and areas.

LONE STAR COLLEGE (LSC)

LSC is a network of eight campuses serving over 85,000 students and adding nearly three billion to its regional economy.

Weaver performs the College's financial statement audit and has also been selected as a qualified internal audit provider. Since then, we have performed a Title IV compliance audit for the nursing department and workforce grant monitoring on behalf of Houston-Galveston Area Council.

Weaver performed an internal control and process evaluation of the College Supply Management processes, including procurement, contracts administration, and supplier diversity. In addition, Weaver performed a knowledge, skills, and abilities assessment of the people of Supply Management to evaluate resources and their needs.

TARRANT REGIONAL WATER DISTRICT (TRWD)

For over 70 years, TRWD has been providing water supply, flood protection, environmental sustainability and recreational services to an 11-county service area across North Texas. The Weaver team has worked with TRWD since 2007, pacing with the Agency's growth and development over the years.

We have performed periodic entity-wide risk assessments and helped to establish TRWD's Internal Audit function in 2007. Today, Weaver serves as TRWD's outsourced internal auditor, deploying a five-year internal audit plan.

Audits performed for TRWD have been strategic, operational, IT and financial in nature. Weaver has helped protect the Agency from risks associated with financial and operational areas such as joint venture operations, construction, elections process, water management, land administration, credit card transactions, procurement, contract compliance, third party risk, royalties, IT security, application controls, database management and disaster recovery.

We have also consulted on governance, workforce management and assisted with implementing a long-range information security management system.

g. Financial Audit

As an experienced financial auditor, Weaver knows that our clients' time and resources are best spent focusing on citizen and student needs. So when it comes to something as important as your annual financial reporting, you don't have time for delays or added burdens on your staff.

In addition to completing audits on time and with the fewest possible demands on staff, we'll also continue to help you navigate changes in guidance and best practice and lay the foundation for achieving longer term operational and strategic objectives.

EXPERIENCE WITH GOVERNMENTS. With more than 300 government clients — including 12 of the top 200 largest cities in the U.S. — Weaver professionals understand the complexities of governmental accounting, federal and state funding requirements, and the nuances of financial reporting. We have the insight that enables us to facilitate a more efficient audit, to more fully understand your reporting requirements and risks, and to provide recommendations that are truly customized to your needs, resources and constraints.

IN-DEPTH KNOWLEDGE OF AUDIT STANDARDS. Our professional understand the complexities and nuances of single audit requirements, Government Finance Officers Association (GFOA) recognition standards, the impact of GASB Statements, **and all the other small audit details that are so important for your financial reporting.**

LARGE-FIRM RESOURCES, PERSONAL SERVICE. Our industry leaders hold active positions in key industry groups such as the American Institute of Certified Public Accountants (AICPA) State and Local Government Expert Panel and the Governmental Audit Quality Center (GAQC). This extensive bench of knowledgeable government audit professionals means we can support the State by providing **thought leadership on upcoming industry changes and complimentary Continuing Professional Education (CPE) tailored to your needs**.

Representative Engagements

TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM (TESRS)

TESRS is a trust fund with net assets of nearly $150 million, providing retirement, disability, and death benefits to eligible members and their surviving spouses.

Since 2015, Weaver has performed TESRS' annual financial and compliance audits, in addition to assistance with the implementation of GASB standards and reporting to member departments.

TEXAS LOTTERY COMMISSION

The Texas Lottery Commission is the fourth largest lottery in the U.S., generating over $8 billion in sales in Fiscal Year 2022.

Weaver has performed the Commission's annual financial audit, and formerly provided advisory services related to lottery drawing security.

STATE BAR OF TEXAS

In 2019, Weaver provided the State Bar with advisory services to increase the Bar's transparency processes. We reviewed the internal controls and practices of the State Bar to provide information to its board, members and the general public. We provided recommendations for actions to improve the openness and communications, while properly safeguarding confidential and protected information.

In 2020, Weaver was selected as the firm to provide annual financial audit services to the State Bar.

CITY OF DALLAS

The ninth largest city in the U.S., Dallas is a large, highly complex organization that must balance competing needs against limited budgets. The City, therefore, relies on experienced firms like Weaver to help provide the most value for every taxpayer dollar and protect against waste or fraud.

Weaver was selected as the City's financial auditor, which includes more than 900 funds to be audited, as well as component units such as Dallas Water Utilities, Airport Revenues Fund, Employees' Retirement Fund Pension Plan, Dallas Convention Center Hotel Development Corporation and Downtown Dallas Development Authority. Compliance audits are also required over Water Utilities, the Convention Center, Airport Revenue and the Passenger Facility Charge Program.

DALLAS AREA RAPID TRANSIT (DART)

DART is a regional transit agency operates light rail, commuter rail, bus routes and HOV lanes. DART serves over 35 million riders annually across twelve member cities throughout the Dallas-Fort Worth metroplex.

In 2022, Weaver was selected to become DART's financial and employee benefit auditor; the engagement for this recent fiscal year was just completed.

DALLAS ISD

Dallas Independent School District, which serves more than 150,000 students, is the second-largest district in Texas and the seventeenth-largest in the U.S. Dallas ISD leads two of the top 20 public high schools listed in *U.S. News & World Report*. In the 2020 – 2021 academic year, the district's budget exceeded $2 billion, requiring sophisticated financial management and experienced support from its financial auditor, Weaver.

As Dallas ISD's audit firm since 2015, Weaver has done more than just an annual audit report and single audits over grant funds.

Most recently, we've provided technical guidance to District personnel regarding intended uses of CARES, CRRSA and ARP federal funding and assisted with questions regarding compliance requirements and recognition of the funding.

HOUSTON ISD

Houston Independent School District (ISD) is the largest school district in Texas and the eighth-largest in the U.S. It serves almost 200,000 students, almost 80% of them economically disadvantaged, in 276 schools from pre-K to high school. With general fund expenditures exceeding $2 billion/year, Houston ISD requires sophisticated financial management and experienced auditors like Weaver.

Weaver has been the external financial and compliance auditor for Houston ISD since 2017.

h. Accounting and Financial Services

As a provider of audit and advisory services to 300+ government entities, Weaver is deeply experienced with reading, interpreting and applying GASB pronouncements. **It's what we do.**

We often provide non-attest services to our external audit clients in which we assist with Annual Comprehensive Financial Report preparation. This service is heavily reliant on our knowledge of applicable GASB and other required standards, particularly in the first year of implementation.

While we don't act as project managers or perform any other management function in this external auditor capacity, we do provide guidance on implementation and heavy assistance with report preparation in regards to the necessary changes to the face of the financial statements, footnotes and required supplementary information.

Your Team Lead for this scope of work, **Rebecca Goldstein**, has provided GASB updates at annual Weaver Government CPE days for both internal staff and clients.

Representative Engagements

TEXAS HEALTH AND HUMAN SERVICES COMMISSION (HHSC)

Since 2017, Weaver has held a master services agreement with HHSC to provide a variety of professional multi-audit services. Most recently, as part of this contract, Weaver has performed agreed upon procedures and performance audits, inspecting a variety of transactions related to Managed Care Organizations (MCOs)and behavioral health facilities.

EMPLOYEES RETIREMENT SYSTEM OF TEXAS (ERS)

Employees Retirement System of Texas (ERS) is one of the largest public pension funds in the world, with over $35 billion in assets. The agency manages both retirement funds and health insurance for both active employees and retirees from Texas state agencies and some higher education institutions. In addition to administering these plans, ERS is responsible for managing investments to fund these benefits.

Weaver assisted ERS with implementation of GASB Statement No. 72, Fair Value Measurement and Application, in regards to the entity's building of a new multi-use facility.

TEXAS GENERAL LAND OFFICE (GLO)

Weaver has provided a variety of accounting services related to real estate investments owned by the agency.

Services include assistance with accounting and financial reporting for complex transactions; consultation and advice to help the GLO meet state and federal regulatory requirements related to financial management and reporting; and audit assistance to help the GLO respond to requests from the State Auditor's Office.

CITY OF HOUSTON

The City of Houston, which is the fourth-largest city in the U.S., had over 400 leases to address (as lessee or lessor) when implementing the new GASB standard on leases. The city had decided to pursue early implementation of GASB Statement No. 87, *Leases,* and it asked Weaver to provide technical training and implementation guidance. As we reviewed hundreds of contracts to assist in completing the lease population, we also provided guidance on the following topics:

- Implementation Guide 2019-3, *Leases*
- GASB Statement No. 96, *Subscription-Based IT Arrangements (SBITA)*
- GASB Statement No. 60, *Service Concession Arrangements (SCA)*

During this engagement, Weaver also provided training for approximately 30 city employees on long-term debt, the bond issuance process, and GASB standards relating to the recognition and reporting of long-term debt related to the following statements:

- GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements
- GASB Statement No. 86, Certain Debt Extinguishment Issues

CITY OF DALLAS

The ninth largest city in the U.S., Dallas is a large, highly complex organization that must balance competing needs against limited budgets. The City, therefore, relies on experienced firms like Weaver to help provide the most value for every taxpayer dollar and protect against waste or fraud.

Most recently, Weaver has provided specific consulting services related to Coronavirus Relief Fund (CRF) and American Rescue Plan Act (ARPA). We also provide annual, tailored, CPE-accredited training for City staff.

CITY OF FORT WORTH

Weaver has provided training and implementation guidance to the City's lease implementation team. We meet weekly to address questions as they arise during implementation and reviewing contracts, the master lease tracking system and proposed journal entries. GASB statements include:

- GASB Statement No. 87, Leases
- Implementation Guide 2019-3 Leases

In addition to training and implementation guidance to the City's lease implementation team, we are meeting weekly to address questions as they arise during implementation and reviewing contracts, the master lease tracking system and proposed journal entries.

WILLIAMSON COUNTY

In addition to providing financial audit services to the County for over 10+ years, Weaver assisted with early implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, including working with a third-party actuary for required reports, supporting calculation reviews, and required supplementary information and footnote disclosures.

We also provided technical training to accounting, grant management and procurement departments regarding Uniform Guidance requirements and best practices related to grant management and federal procurement guidelines.

HOUSTON ISD

Houston ISD is the largest school district in Texas and the eighth-largest in the U.S. It serves almost 200,000 students, almost 80% of them economically disadvantaged, in 276 schools from pre-K to high school. With general fund expenditures exceeding $2 billion/year, Houston ISD requires sophisticated financial management and experienced auditors like Weaver.

Weaver has also assisted the district with its implementation of various GASB standards, such as GASB Statement No. 87, Leases, where we provided both process consulting and evaluation of lease contracts.

i. Managerial Advisory Services

Weaver understands first-hand the challenges and rewards of creating organizational processes to manage people and operating functions.

Combining extensive government advisory experience with innovative technology tools, our dedicated **Government Consulting Services (GCS)** professionals are strategically positioned to assist with the unprecedented opportunity to invest in the future.

Our results-oriented approach supports organizations undergoing transformational financial change and modernizing practices in IT, human resources, governance and other areas. From capital projects and economic development initiatives to disaster recovery readiness and ESG goals, Weaver implements innovative tools for operational excellence.

Our team's experience and structure are geared to support the need for rapid response, efficient execution, and cost-effective delivery of services through the grant lifecycle. Over the past decade alone, our team has executed grant program administration and monitoring for federal agencies, major state agencies, and local governments — and our clients know they can count on us to provide services that offer value beyond compliance.

Now is the time for government entities to **transform society through innovative programs and processes** that have a meaningful impact on all of our lives. From critical infrastructure to the environment, economic development, sustainability and equitable solutions to long-term concerns and disaster recovery programs, **we're living in a time of opportunity to make a sustainable difference**.

In these high-visibility environments, executing large-scale change requires fresh approaches and effective ways to manage risk and report results. Not only does the federal government demand better reporting from states and municipalities, but citizens also want more transparency and accountability. They want to know ***how***, ***when*** and ***where*** their tax dollars are being put to work for them.

When **efficiency**, **transparency**, and **accountability** matter, Weaver's GCS team delivers the results you need.

The 4 Pillars of Weaver's GCS

Strategy

- Workforce planning
- Organization planning and benchmarking
- IT and IS strategy
- Data architecture and management
- Data and visual analytics

Operations

- Grant funding management
- Infrastructure planning
- Business process improvement, reengineering and operating models
- Shared and managed services
- Risk management
- Change management

Technology

- Project management
- Cybersecurity
- Independent verification and validation
- Data architecture
- Cloud strategies

Human Resources

- Human capital strategy and ESG goals
- Talent management and DEIB fulfillment
- Change management communications
- Organizational design and assessment
- HR analytics
- Learning/ development

Representative Engagements

LOWER COLORADO RIVER AUTHORITY (LCRA)

LCRA is a quasi-governmental entity (self-funded by water and electricity revenues) that produces and delivers over 3,300 megawatts of power, maintains 5,400 miles of transmission lines, manages the lower Colorado River watershed to supply water and control floods, and provides a system of public parks. In 2018, Weaver began assisting LCRA with internal audits, and in 2020 the firm was selected as LCRA's full co-sourced internal audit provider.

Weaver recently conducted an organizational assessment focused on workforce planning. The assessment's objective was to strengthen critical workforce planning initiatives and build strong succession planning across eight operational divisions and over 2,000 employees. Our team developed a succession planning maturity model, establishing objective criteria against which we assessed departmental and enterprise-wide progress and opportunities for improvement.

Using the model as a framework, our team took a deep dive into performance across five fundamental components: talent identification and acquisition, advancement and retention, knowledge and skills development, performance evaluation and leadership cultivation. The resulting project matrix provided actionable recommendations for management across each component and specific insights at each department level.

CITY OF HOUSTON

The City of Houston, fourth largest city in the U.S., requested Weaver's assistance to reform its budgeting process. Rather than the traditional approach of starting from the previous year as a baseline, then adjusting up or down, the mayor wanted to move to "zero-based" budgeting. This can't be accomplished without tying monetary and personnel resources to outcomes, creating a culture of accountability among department leaders, and developing key performance indicators that are measured, tracked and critiqued for their relative success or failure. Given the scope of change, the City chose to begin with a performance-based budgeting pilot program.

Weaver had already worked with the City on a variety of performance audit, process improvement and IT-related engagements over multiple operational areas. In this project, we had to think beyond finance and operations and towards effectiveness and constituent service. We originated a collaborative project plan, working alongside our talented colleagues from the City.

Weaver has evaluated the capital improvement plan process, including developing internal policies and procedures and assisting the City in allowing its departments, including services related to transportation fleet management for Public Works, to determine assets that are eligible for bond funding and for capitalization.

The result was a strategic framework for performance-based budgeting in several departments, including public safety (police), libraries, parks, and sanitation. More importantly, we helped Houston create a culture of accountability and a new path forward to set ambitious goals for an international, dynamic and thriving city.

AUSTIN COMMUNITY COLLEGE DISTRICT (ACC)

ACC is among the largest institutions of higher education in the nation, with 11 campuses serving 76,000 students each year. It has won recognition as a top choice for high school graduates and older adults, as a top-25 community college choice for Hispanics, as one of ten National Truth, Racial Healing and Transformation Campus Center, and as one of Forbes Magazine's "Best Places to Work." At this scale, and with 11 campuses and more than 100 academic programs, ACC needs sophisticated, customized support from firms like Weaver.

At the direction of ACC's executive leadership, Weaver planned and executed an organizational assessment over the function and structure of IT services for the college system. This assessment resulted in major organizational and structural changes, such as combining two separate and siloed IT service organizations and creating an IT governance and oversight body. After these changes were fully implemented, Weaver returned to ACC for a follow-up engagement assessing the management and leadership of the newly constituted IT department.

Weaver also assisted ACC's continuing education department with an internal audit and consulting work related to its workforce development and continuing education programs. We assessed those programs' effectiveness, compliance with requirements, and progress toward meeting agreed-upon goals, then developed customized recommendations to help the college improve its performance in these areas.

TEXAS A&M UNIVERSITY SYSTEM

One of Texas' first public institutions of higher education, the Texas A&M University System (the A&M System) includes 17 academic and affiliated agencies and serves over 153,000 students.

The A&M System makes more than 22 million additional educational contacts through service and outreach programs each year, and research and development expenditures exceed $996 million annually.

Weaver initially provided an assessment of the Bryan-College Station campus' College of Liberal Arts' IT organization and governance, business and strategy, vendor management and sourcing, and application management procedures.

We worked with the College to define requirements of users, assess how those requirements were fulfilled by multiple IT functions within the College, and provide recommendations for alignment, organization and business processes to better meet those needs.

DALLAS ISD

Weaver's operational review of the District's IT Department included evaluation and documentation of existing operational procedures, evaluation of departmental staffing, and identification of gaps in the operational processes and internal controls.

Our team also evaluated monitoring/supervision and accountability controls, internal/external reporting and key performance indicators (KPIs) using best practices and state, federal and District policies as the underlying framework. In addition, we performed a Knowledge Skills and Abilities Assessment to evaluate organizational structure and staff competencies, and created a transformation plan to allow for structural changes and additional staff competencies to support the recommended changes and future state.

4.5 References

Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Attachment E-Customer Reference Form**.

4.6 Legal Right to Practice in North Carolina

Weaver is a CPA firm licensed in Texas and authorized to practice accounting in North Carolina under firm mobility.

North Carolina State Board of Certified Public Accountant Examiners

Acknowledgement of
CPA Firm Notification of Intent to Practice

William Rock, CPA
Weaver and Tidwell, L.L.P.
24 Greenway Plaza Ste 1800
Houston TX 77046

Re: CPA Firm Notification of Intent to Practice in North Carolina

Mr. Rock,

The aforementioned firm is a Certified Public Accounting firm in the State of Texas. We acknowledge that this firm has notified this Board of its intent to practice in North Carolina, subject to compliance with the provisions of the North Carolina General Statutes and Administrative Code. This notification does not expire.

Date issued: September 10, 2019

Cammie Emery
Cammie Emery
Licensing Assistant

1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh, NC 27605 • (919) 733-4222 • Fax (919) 733-4209 • nccpaboard.gov

4.7 External Reviews and Regulatory Action

a. External Peer Review

External peer review is designed to give the public additional confidence in the quality of our audit and accounting practice. As such, every three years, the firm engages an independent accounting firm to determine whether our quality control policies and procedures are suitably designed, and whether our techniques for implementing these policies and procedures comply with professional standards.

Each peer review has also included a review of governmental audit engagements, as mandated by AICPA Peer Review standards and GAQC requirements.

Weaver has received unmodified reports on every peer review to date.

Ultimately, peer review is administered by the AICPA National Peer Review Committee (NPRC). Our latest peer review was accepted by the NPRC in February 2023; Weaver received a pass rating, the highest grade possible.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Weaver & Tidwell, L.L.P. applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, 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*. Weaver & Tidwell, L.L.P. has received a peer review rating of *pass*.

Eide Bailly LLP

EideBailly

CPAs & BUSINESS ADVISORS

Report on Firm's System of Quality Control

September 19, 2022

To the Partners of Weaver & Tidwell, L.L.P.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Weaver & Tidwell, L.L.P. (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, and examinations of service organizations [SOC 1 and SOC 2 engagements].)

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.

b. Quality Control Policies and Procedures

b. Quality Control Policies and Procedures

Attention to quality and multiple quality-assurance processes are built into every Weaver engagement from inception.

From day one of initial planning, we work to thoroughly understand engagement criteria, including applicable regulatory and agency requirements. This enables us to detail specific procedures that map to defined outcomes, with any deviations carefully considered when determining the final results of each engagement.

Weaver incorporates these specific engagement-level and firm-level quality programs to evaluate the effectiveness of our team's procedures on each engagement.

Engagement Quality

From experienced partners to the newest associates, all Weaver professionals understand that our commitment to quality requires thoughtful planning, consistent follow-through and attention to detail.

We start by ensuring that staff have the knowledge and experience required to carry out their responsibilities. Recognizing that supervisors and other reviewers can complement that knowledge, our policies and procedures also provide for consultation on significant matters and multiple layers of technical review.

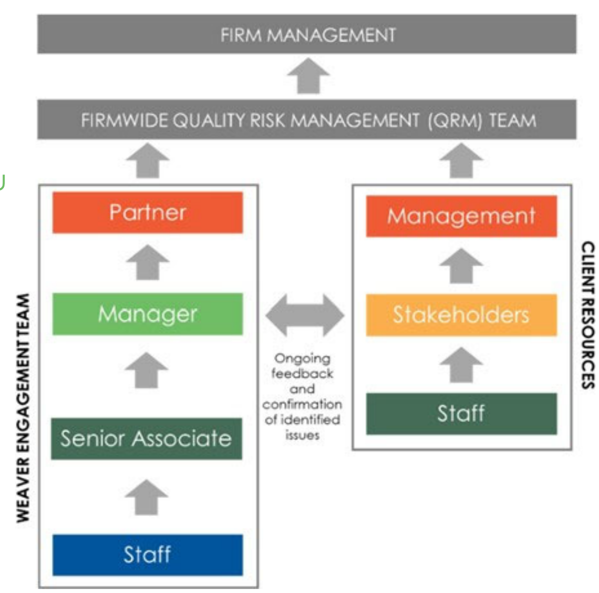
Your engagement partner and their team will work closely together to ensure effective planning, and will provide multiple levels of quality review.

Project Management

Creating value in any engagement begins with open and regular communication, including hands-on involvement of the partners and team leadership, all of whom will communicate with you on a regular basis.

This serves as the ever-valuable foundation in every Weaver engagement.

Along with tailoring our teams to each specific engagement, your project partner will remain actively engaged to provide perspective and ensure adherence to the budget and timeline, as well as quality standards. Weaver has committed to you to bring not just those who have experience, but the right personnel who have the depth of expertise.



In addition, each project manager will monitor progress daily to ensure that work is proceeding on schedule and budget, and is meeting established performance standards. Any variances or unexpected findings will be communicated immediately to management, and a satisfactory solution will be sought.

To ensure a "no surprises" engagement, we work to gain concurrence from the team on risks and plans, provide regular status updates and share preliminary findings.

Automated error-checking tools are used when appropriate, but we never consider them a substitute for the thoughtful management review and oversight needed to deliver the highest quality work possible. During planning, we work with you to properly define performance standards, including the overall goals, schedule, staffing requirements (in number and experience/skills required) and deliverable requirements.

At end of the engagement, we hold an exit conference to discuss results, including any findings and observations. We'll also discuss what went well or what could be changed, so we can incorporate that knowledge into our future delivery of services.

At end of the engagement, we hold an exit conference to discuss results, including any findings and observations. We'll also discuss what went well or what could be changed, so we can incorporate that knowledge into our future delivery of services.

Prior to end of fieldwork meeting and through-out the engagement, we perform internal quality control procedures through review of the work. We also ensure that our teams maintain documentation to support the audit conclusions that are reached, which we provide to management at the completion of our projects.

Firmwide Quality

Weaver has created and adheres to a System of Quality Management (SOQM) Document that demands integrity, objectivity, competence and diligence from our professionals in all engagements, whatever their nature.

We demand independence in fact and appearance in engagements where independence is required by applicable laws, regulations or requirements of professional societies. We take steps to ensure that personnel assigned to engagements have the professional and specialized knowledge required to carry out their responsibilities, recognizing that supervisors, other reviewers and consultants can complement that knowledge.

These quality control guidelines mandate that our engagement teams retain sufficient evidence to substantiate the procedures we performed on the engagement. Such work papers are retained for a minimum of three years, at the firm's expense. As a matter of practice, we offer to make a copy of all work papers available to clients.

Our SOQM is an important document that defines philosophy of our practice, which is a firm commitment to excellence. More specifically, to achieve high-quality professional performance, Weaver has adopted policies and procedures that implement the quality control standards established by the AICPA.

Our Quality and Risk Management Committee oversees the firm's performance with regard to quality control. In addition, Weaver's successful performance in external peer reviews, conducted every three years, further demonstrates the effectiveness of our quality assurance efforts. Due to the confidential nature and size of Weaver's SOQM, we do not provide a copy of the document as part of our proposals.

c. Regulatory Sanctions

No regulatory sanctions have been levied against Weaver or any of our partners, officers, directors, employees, or agents by any state or federal regulatory agencies within the last three (3) years.

d. Regulatory Investigations

There are no regulatory investigations pending against Weaver or any of our officers, directors, employees, and agents by state or federal regulatory agencies.

e. Outstanding Liabilities

Weaver has no outstanding liabilities to the Internal Revenue Service, other government entities or unpaid final judgments for which Weaver remains liable.

4.8 Financial Statements

WEAVER AND TIDWELL, L.L.P.
(A PARTNERSHIP)
BALANCE SHEET
May 31, 2022

ASSETS	
Current Assets	$ 85,402,828
Investments	5,364,744
Property and Equipment - Net	17,709,437
Other Assets	6,263,963
TOTAL ASSETS	**$ 114,740,971**
LIABILITIES AND CAPITAL	
Current Liabilities	$ 20,422,029
Long-Term Debt	13,012,557
Partners' Capital	81,306,385
TOTAL LIABILITIES AND CAPITAL	**$ 114,740,971**

Page 1 of 2

WEAVER AND TIDWELL, L.L.P.
(A PARTNERSHIP)
STATEMENT OF INCOME
FOR THE FISCAL MONTHS ENDING APRIL 30, 2023 AND 2022

	5/31/2023	5/31/2022
Adjusted Gross Volume	$ 254,682,563	$ 197,620,298
Direct Expenses	92,368,841	68,730,254
Other Operating Expenses	52,314,675	41,334,074
NET OPERATING INCOME	109,999,047	87,555,970
Non-Operating Income (Expense) - Net	(2,290,441)	154,881
Income from Affiliates	4,668	6,615
Practice Acquisition Cost & Partner Retirement	(6,075,206)	(4,872,908)
NET INCOME AVAILABLE TO PARTNERS	**$ 101,638,068**	**$ 82,844,557**

4.9 Cost Proposal

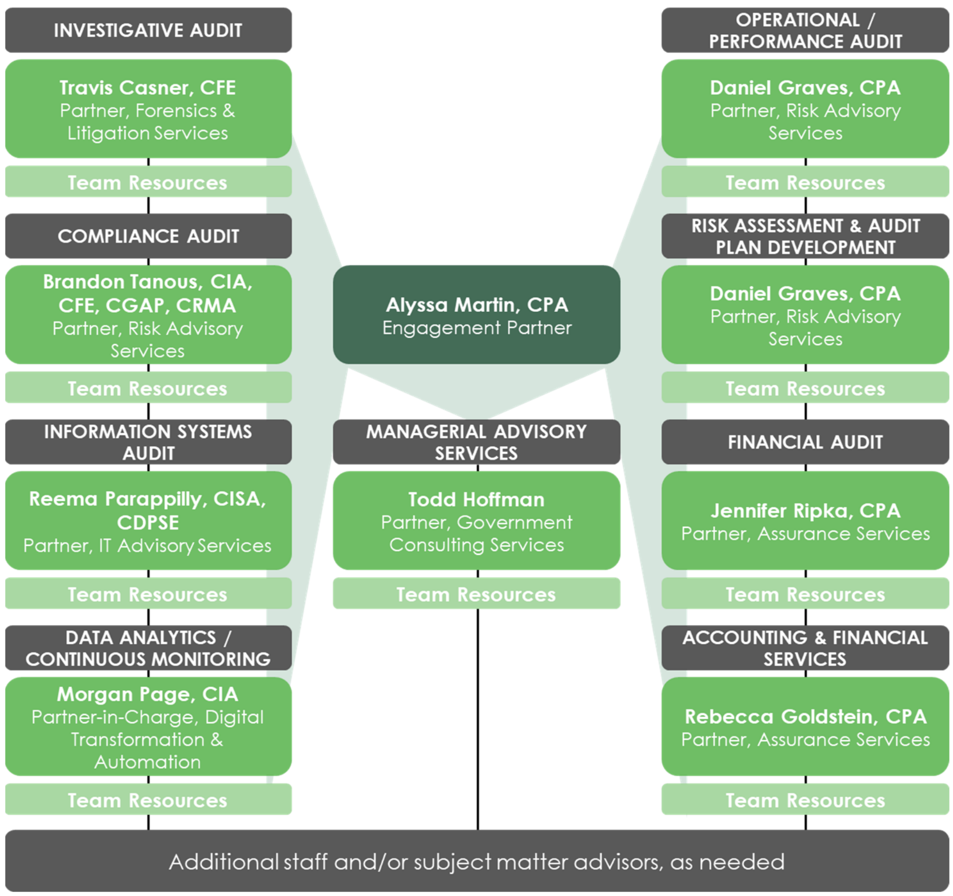
Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Attachment A-Pricing Submittal**.

5.4 Project Staffing

Organizational Chart

Achieving your strategic goals requires all the parts to work together, synchronized and supporting each other. That's how Weaver's teams work with each other, and how we will work with you.

The Weaver team — from leadership to staff — is tailored to address the complete range of issues facing state entities. From financial and regulatory to technological and structural processes and procedures, our well-rounded team is designed to help you maximize the impact and value of each engagement.



We will also draw upon additional advisory and government practice resources for various assignments, as needed. Our team members have a broad range of internal controls knowledge, IT and operational auditing experience — as well as extensive understanding of government operations — all on a single, integrated team. Leveraging this multidisciplinary experience enables us to offer a customized team that can adjust dynamically and quickly to meet your needs at any stage of the engagement. It also enhances our ability to provide innovation, thought-leadership and insight.

Please see **d) Proposal, 5.4 Project Staffing, Staffing Capabilities** for a full overview of our firm's bench of resources.

Engagement Partner

Alyssa G. Martin, CPA | Partner, Risk Advisory Services

Alyssa has more than 25 years of experience in public accounting, and is widely recognized for her work collaborating with management teams on growth strategies and governance matters.

Alyssa has deep knowledge and experience in internal audit, risk management, operational analysis, quality assurance reviews, fraud prevention, IT audit, business management consulting, strategic planning and technology consulting.

She has many years of experience working directly with state agencies, large municipalities, regional entities and other complex government clients, and understands the unique needs of these environments.

Representative Client Experience

- California State Teachers' Retirement System
- Cancer Prevention and Research Institute of Texas
- Employees Retirement System of Texas
- Lower Colorado River Authority
- Texas Department of Information Resources
- Texas Higher Education Coordinating Board
- Texas Military Department
- Texas Municipal Retirement System
- Los Angeles County Employees Retirement Association
- Houston-Galveston Area Council
- North Central Texas Council of Governments
- Capital Metropolitan Transportation Authority
- Metropolitan Transit Authority of Harris County
- North Texas Municipal Water District
- Tarrant Regional Water District
- North Texas Tollway Authority
- University of Texas System
- Austin Community College District
- College of the Mainland
- Del Mar College
- Lee College
- Tarrant County College District
- Texas Christian University
- Texas Southern University
- City of Houston
- City of Dallas
- City of Fort Worth
- City of Arlington
- City of Bryan
- City of Corpus Christi
- City of Denton
- City of Georgetown
- City of Irving
- City of Lewisville
- City of McKinney

Professional Involvement, Additional Certifications and Education

- Member, Institute of Internal Auditors (IIA) North American Board and Board and the Audit Committee of the Texas Society of Certified Public Accountants (TXCPA)
- Member, Internal Audit Education Program (IAEP) Advisory Committee at the University of Texas at Dallas (UTD)
- Member, National Association of Corporate Directors (NACD)
- Master of Business Administration and Bachelor of Business Administration, accounting, UTD

Representative Presentations and Publications

- "Changing Role of Government Leaders – Strategy, Motivation and Efficiency," *Weaver: Beyond the Numbers* Podcast
- "How Are You Doing…Really? Cultural Insights From Organizational Assessment," Weaver Wednesdays – Government CPE Series Webinar
- "Corporate Good Citizenship: Meeting Expectations for Environmental, Social and Governance Reporting," Weaver Blog
- "Setting People Up for Success" *Weaver: Beyond the Numbers* Podcast
- "The Evolving CFO: Effectiveness Across a Broad Span of Control," Weaver Blog
- "Lonely at the Top: The Expanding Role of the Government CFO," Weaver Blog
- "What's Going on Around Here? Assessing Your Organization to Improve Performance," Weaver Blog
- "Organizational Issues that Impact Performance," Weaver Government CPE Day
- "Ethics and Governance in Government," Weaver Government CPE Day
- "Building the Audit Function," *Ia: Internal Auditor*
- "Integrating a Culture of Ethics," IIA Half-Day Seminar and UT Dallas/IIA Dallas Fraud Summit
- "Are We Having Fun Yet? Organizational Issues that Impact Performance." Texas Association of School Business Officials (TASBO)

Strive to transcend client expectations, *always.*

Alyssa says: "My favorite core value is **Strive to transcend client expectations, *always***. The reason I am in client service is to serve. No matter what the engagement, we have a role to work alongside the organization and support their efforts.

Personally, I take that responsibility very seriously and work to exceed expectations. The most gratifying outcome is when you observe a client implementing your recommendation. It fuels me to see transformation happen first hand and know that it was a collaborative effort, and I appreciate hearing from my clients that we made a difference in their success."

Team Resources: a. Operational / Performance Audit

Team Lead

Daniel Graves, CPA | Partner, Risk Advisory Services

Dan has more than 18 years of experience in public accounting, including 16 years of internal control process and IT risk management. His areas of emphasis include internal audit, risk assessment, internal control consulting and business process improvement, IT audit, technology consulting and fraud prevention.

Dan leads Weaver's Central Texas Risk Advisory Services professionals. As such, he has deep experience with state and federal regulatory requirements, as well as State Auditor's Office (SAO) reporting formats and requirements.

Dan is the internal auditor of record for multiple state agencies and higher education entities. He also leads Weaver's internal audit methodology, to ensure quality and alignment with IIA standards.

CONFIDENTIAL

Representative Client Experience

- Cancer Prevention and Research Institute of Texas
- Employees Retirement System of Texas
- Lower Colorado River Authority
- Texas Council for Developmental Disabilities
- Texas Department of Information Resources
- Texas Department of Licensing and Regulation
- Texas Military Department
- Texas Municipal Retirement System
- Texas Department of Motor Vehicles
- Texas Lottery Commission
- Texas Medical Board
- Texas Permanent School Fund
- Texas State Board of Pharmacy
- Texas State Library and Archives Commission
- Texas Veterans Commission
- Texas Water Development Board
- State Bar of Texas
- Texas Higher Education Coordinating Board
- Abilene Christian University
- Alamo Colleges District
- Austin Community College District
- Blinn College
- Del Mar College
- Lee College
- Tarleton State University
- Texas A&M University
- Texas A&M University - Commerce
- University of North Texas (UNT) System
- UNT Health and Science Center
- University of Texas System
- UT MD Anderson Cancer Center
- UT Southwestern Medical Center

Professional Involvement, Additional Certifications and Education

- Member, IIA, TXCPA and American Institute of Certified Public Accountants (AICPA)
- Bachelor of Business Administration from Hardin-Simmons University

Representative Presentations and Publications

- "Effective Internal Audit Work Starts on Day One," Weaver Blog
- "The Human Element: Ethics in the Modern Age," Texas State Auditor's Office (SAO) Conference
- "No Tax Dollar Left Behind: Auditing Third-Party Contracts," Texas SAO Audit Conference

- "Take a New View: Leveraging Your Risk Assessment," Texas Association of Community College Business Officers (TACCBO)
- "Grant Compliance Done Right!" Weaver Wednesdays – Government CPE Series Webinar
- "Grant Administration – Keys to Knowing and Understanding the Compliance Requirements," Weaver CPE
- "Grant Management: Avoiding common Pitfalls to Achieve Audit Success," TACCBO
- "Community Colleges and Grant Compliance, Updates from the CCBO Conference," *Weaver: Beyond the Numbers – The Business of Government* Podcast
- "Podcast: Capital Projects: What Could Go Wrong?" *Weaver: Beyond the Numbers – The Business of Government* Podcast
- "How to Detect and Avoid Overpayments in Construction Projects," Weaver Blog
- "Effective Construction Monitoring," TASBO Engage
- "Leverage an Auditor's Toolbox for Business Stability in Turbulent Times," *Construction Executive*
- "Do You Have P-Cards and Credit Cards Under Control?" Weaver Blog
- "Internal Control Tip: Payroll," TASBO Connect
- "Ten Keys to Controlling Activity Funds," TASBO Report, Vol. 44, Issue 1
- "Locked from the Inside: Protecting Your Electronic Payments," TASBO Connect
- "Internal Control Tip: Ten Keys to Controlling Activity Funds," TASBO Connect
- "PFIA 85th Legislative Updates and Internal Control Considerations," County Treasurer's Association of Texas Conference
- "Building Schools - Strategies for Managing Construction Costs," TXCPA School District Accounting and Auditing Conference
- "Integrating a Culture of Ethics," IIA Austin Half-Day Seminar
- "So You Have Your Baseline Risk Assessment for ERM, What Next?" IIA San Antonio Annual Conference
- "Procurement and Contract Management: Best Practices for Effectively Managing Compliance," Weaver CPE

Help each other succeed at work and in life.

Dan says: "My favorite core value is **Help each other succeed at work and in life**. Success doesn't only come in business. Helping others succeed outside of the 8:00 – 5:00 is just as important as it is during the workday."

Additional Staff

Holly Hart, CPA, CIA | Senior Manager, Risk Advisory Services

Holly has over 10 years of experience providing objective performance and internal audit services involving federal programs and compliance with regulations, effectiveness and efficiency of key municipal government operations, performance oversight and governance practices, and financial/ operational risk analysis internally and for not-for-profit business partners.

Holly is experienced in driving process improvement efforts to enhance internal audit procedures, mentor new auditors, and develop training opportunities that strengthen auditor skills and impact for the benefit of the communities our clients serve.

Holly formerly served as an Assistant City Auditor for City of Dallas' Office of the City Auditor, as well as an Auditor for the U.S. Department of the Interior. She currently serves as Adjunct Instructor for Dallas College's Career and Technical Education/CPA program at the Mountain View Campus, with courses including Government & Not-For-Profit Accounting and Audit Theory.

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Representative Client Experience

- California State Teachers' Retirement System
- North Dakota State Investment Board – North Dakota Retirement and Investment Office
- Houston-Galveston Area Council
- Orange County
- City of Dallas
- City of Burleson
- City of Midland
- City of Lewisville
- Los Angeles County Employee Retirement Association
- America Can! Academy dba Texans Can!

Professional Involvement, Education and Certifications

- Member, IIA and Intergovernmental Audit Forums (Southeastern/Western)
- Association of Government Accountants (AGA)
    - Former Board Member of the Dallas Chapter (2016 – 2019)
- Association of Local Government Auditors (ALGA)
    - Current Member, Professional Issues Committee and Peer Review
- CPA and Certified Internal Auditor (CIA)
- Bachelor and Master of Science in Accounting and Information Management, University of Texas at Dallas

Act with integrity, no matter what.

Holly says: "My favorite core value is **Act with integrity, no matter what.** To provide true service, we must have something that can't be bought, and that's *integrity*. Our clients have very important work to accomplish and our success in the support of their endeavors is only attainable through a relentless commitment to doing the right thing every day."

Jeffrey Jones, CIA | Manager, Risk Advisory Services

Jeff is a skilled internal audit practitioner with five years of end-to-end audit cycle experience. He is adept in both internal and external audit processes as well as advisory and consultative services.

Jeff is a dedicated leader with the ability to independently perform risk assessments, test controls, document work papers, interview process owners and report to leadership. Jeff has a dynamic background, including experience in both government, and not-for-profit organizations and agencies.

As an internal auditor, Jeff has extensive knowledge of Committee of Sponsoring Organizations (COSO), Control Objectives for Information and Related Technologies (COBIT), International Professional Practices Framework (IPPF), generally accepted auditing standards (GAAS) and HIPAA/PII compliance.

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Representative Client Experience

- Texas Health and Human Services Commission
- Texas Medical Board
- Texas State Board of Pharmacy
- Texas Council for Developmental Disabilities
- Texas Medicaid and Healthcare Partnership
- Texas Windstorm Insurance Agency
- Baylor Scott and White
- Blinn College
- City of Tomball

Professional Involvement, Additional Certifications and Education

- Member, IIA
- CIA
- Master of Business Administration and Bachelor of Business Administration, Texas A&M University

Take initiative. Lead. Always think about how we can improve.

Jeff says: “My favorite core value is **Take initiative. Lead. Always think about how we can improve.** In risk advisory, a certain level of initiative, innovation and overall ‘go-getter’ attitude is required. The nature of our work drives personal development and improvement in leadership skills.”

Team Resources: b. Investigative Audit

Team Lead

Travis Casner, CFE | Partner, Forensics and Litigation Services

Travis has over 14 years of experience providing investigative and forensic accounting services for entities in the public and private sectors. Before joining Weaver, Travis was a manager in the Dispute Advisory and Forensics practice of HSSK, LLC and served in a manager-level position at an international, publicly traded consulting firm.

Travis has led numerous financial forensics investigations involving allegations of fraud, embezzlement, conflicts of interest, employee misconduct, theft, and other types of white-collar crime.

He also has extensive experience in digital forensics, asset tracing, reviewing and evaluating governance practices and internal and operational controls, as well as analyzing complex data sets and locating and analyzing various types of electronic data including emails and financial records.

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Representative Clients

- Department of Justice
- Houston-Galveston Area Council
- Public Utility Commission of Texas
- Electric Reliability Council of Texas
- Pedernales Electric Cooperative
- City of Austin
- City of Midland
- City of Crockett
- City of Del Rio
- City of Forney
- City of Alvin
- City of Grapevine
- Williamson Co. & Cities Health District
- Texas Southern University
- Socorro ISD
- San Benito CISD
- Weslaco ISD
- Lancaster ISD
- Desoto ISD

Professional Involvement, Additional Certifications and Education

- Certified Fraud Examiner (CFE)
- Member, Association of Certified Fraud Examiners (ACFE)
- Bachelor of Arts, business, Southwestern University

Representative Presentations and Publications

- "Fraud Detection & Prevention – Leveraging Data Monitoring and Analytics," GFOAT Spring Conference at Kalahari Resort
- "Fraud Detection & Prevention: Leveraging Data Monitoring and Analytics," Weaver Government CPE Webinar Series
- "Level Up: Reduce Your Fraud Risk Using Data Tools and Analytics," Association of College and University Auditors (ACUA) AuditCon Conference in Las Vegas,
- "Leveling Up Fraud Analytics: Today's Top Municipal Fraud Traps and How to Avoid Them," GFOAT Fall Conference in College Station
- "Fraud Waste and Abuse in the Public Sector: A Look at Best Practices for Investigation and Prevention," Texas State Auditor's Office Annual Conference

Be adaptable and innovative in all that you do.

Travis says: "My favorite core value is **Be adaptable and innovative in all that you do**. Fraudsters continue to find new ways to take advantage of government entities. To effectively prevent and detect fraud, it's critical to be adaptable to find solutions. The Weaver team combines experience with innovative thinking to stay one step ahead."

Additional Staff

Jared C. Jordan, CFE | Partner-in-Charge, Forensics and Litigation Services

Jared leads Weaver's Forensics and Litigation Service practice, and was formerly a managing director at HSSK and an associate director at an international publicly traded consulting firm.

Jared has more than 20 years of experience assisting clients with the financial aspects of disputes and investigations, including serving as an expert witness in state and federal court, as well as in arbitration.

His experience includes conducting fraud and financial forensic investigations, as well as examining and assessing policies and procedures, corporate governance practices and internal and operational controls for governmental and quasi-governmental entities resulting from allegations of fraud, financial misrepresentation, conflicts of interest, employee, officer and director misconduct, misuse of corporate funds and breach of fiduciary duty, among others.

Representative Clients

- Department of Justice
- Internal Revenue Service (IRS)
- Public Utility Commission of Texas
- Electric Reliability Council of Texas
- Texas Attorney General
- Pedernales Electric Cooperative
- City of Austin
- Austin Police Department
- City of Forney
- City of Del Rio
- City of Crockett
- Weslaco ISD
- DeSoto ISD

Professional Involvement, Certifications and Education

- Member, Advisory Council, ACFE and Director, ACFE (Austin Chapter)
- CFE
- Bachelor of Business Administration, finance, University of Texas

Representative Presentations and Publications

- "Fraud Waste and Abuse in the Public Sector: A Look at Best Practices for Investigation and Prevention," Texas SAO Annual Conference
- "Fraud, Waste and Abuse in the Public Sector," Weaver Wednesdays – Government CPE Webinar
- "Managing Risk and the Role of Forensic Investigations in Data Breaches," ACFE (Austin Chapter)
- "Overview of Forensic, Fraud and Special Investigations," Guest Lecturer – Graduate Level Fraud Detection and Prevention Class at the McCoy College of Business Administration (Texas State University)
- "Fraud Deterrence through Effective Internal Controls," Texas Association of Regional Councils

Help each other succeed at work and in life.

Jared says: "My favorite core value is **Help each other succeed at work and in life.** There is really quite simply nothing that gives me more satisfaction than helping one of our team members thrive professionally or personally. Seeing team members succeed after working hard to make themselves better is really special."

Tim Mohr, CFE | Partner, Forensics and Litigation Services

Tim has over 30 years of experience in forensics and litigation services, growing and developing people, driving revenue growth and executing strategic priorities for government organizations and Fortune 500 companies throughout the U.S. His primary focus areas are forensic accounting, investigative due diligence, corporate investigations, anti-corruption and anti-money laundering-related services.

Tim most recently led a Top-10 public accounting firm's forensics and litigation services practice.

He also formerly headed the Investigative Due Diligence practice, growing it significantly before transitioning to his leadership role in forensics, and before that, he held positions at PricewaterhouseCoopers, LLC, Bank of New York Mellon and Pinkerton, Inc.

CONFIDENTIAL

Representative Clients

- Confidential Board of Education – Monitorship
- Confidential Convention Center – Monitorship
- Confidential District Attorney/Mechanical, Plumbing and H-VAC Contractor – Monitorship
- Confidential Not-for-Profit – Employee Misconduct
- Confidential International Organization – Misappropriation of Funds
- Confidential Consumer Technology Association – Employee Misconduct
- Confidential Publicly Traded Cosmetics Company – Employee Misconduct
- Confidential Public Company – Fraud

Professional Involvement, Additional Certifications and Education

- CFE
- Bedford Central School District, Past Member, Budget Advisory Committee
- Village of Mount Kisco, Past Member Finance Committee
- Bachelor of Arts, political science, New York University
- Master of Science, economic crime management, Utica University

Representative Presentations and Publications

- "Confront Fraud Head On: Crucial Insights to Consider When Conducting an Internal Investigation," BDO Nonprofit Standard
- "Investigative Due Diligence for Nonprofit Organizations," BDO Nonprofit Standard
- "Internal Investigation Missteps," Risk Management
- "Tales From the Fraudulent Frontline," Private Equity Manager
- "Opportunity in a Downturn: The Value of an Anti-Fraud Program," Corporate Governance Advisor
- "Dos and Don'ts of Investigative Due Diligence," Presentation, GAIM Ops Cayman
- "How to Mitigate Workplace Fraud," Talent Management Perspectives
- "Compliance with the New Identity Theft Prevention Regulations," The Banking Law Journal
- "Making the Tough Calls Easy," Security Management

Act with integrity, no matter what.

Tim says: "My favorite core value is **Act with Integrity, no matter what.** Integrity is what I have always have and always will live by. Nothing can justify a lack of integrity."

Jeffrey H. Lewis, CPA, ABV, CFF, CVA, CFE, MAFF | Managing Director, Forensics and Litigation Services

Jeffrey has more than 20 years of experience assisting clients with the financial aspects of disputes and investigations involving forensic accounting, commercial and economic damages analyses, family law matters, fraud investigations, and business valuations.

Before joining Weaver, Jeffrey was the Director of Investigative Financial Consulting at Forensic Strategic Solutions.

Prior positions also include Director at Duff & Phelps, Managing Director at Dixon Hughes Goodman, and numerous roles in the dispute analysis and investigations practices of PricewaterhouseCoopers and Ernst & Young.

Jeffrey has successfully led complex litigation support and investigations for notable clients in various industries, and provides forensic accounting services to clients involved in complex fraud investigations, criminal investigations, expense reimbursement schemes and defective pricing matters.

Jeffrey likewise has a substantial background in conducting financial analyses and preparing expert reports for a variety of matters involving breach of contract, lost profits claims, wrongful termination, mitigation analysis, shareholder and partner disputes, earnings capacity/wrongful death and dilution of stock ownership interest. His extensive due diligence experience is particularly focused on examinations and agreed-upon procedures related to contract compliance testing and analysis.

Professional Involvement, Additional Certifications and Education

- Member, AICPA, Maryland Association of Certified Public Accountants (MACPA), National Association of Certified Valuators and Analysts (NACVA) and ACFE
- CPA in North Carolina, Maryland, Virginia and the District of Columbia
- Accredited in Business Valuation (ABV), Certified in Financial Forensics (CFF), Certified Valuation Analyst (CVA), CFE and Master Analyst in Financial Forensics (MAFF)
- Bachelor of Science, accounting, University of Maryland

Representative Presentations and Publications

- "Business Valuation and Litigation Services," Law Firm Presentation
- "Financial Fraud Schemes," Law Firm Presentation
- "Occupational Fraud – Your Company is at Risk," Dixon Hughes Goodman Thought Leadership
- "Occupational Fraud: Do Good People Commit Fraud?" Dixon Hughes Goodman Thought Leadership
- "Fraud & Forensics: What's Past is Prologue," George Mason University Ninth Annual Tax & Accounting Conference
- "Calculating Economic Damages: It's About Far More than the Math," Forensic Strategic Solutions Blog
- "Another Year, Another Multi-Billion-Dollar Haul for the Government in False Claims Act Qui Tam Cases," Forensic Strategic Solutions Blog
- "How Attorneys Can Effectively Utilize a CPA in a Breach of Contract Claim," Forensic Strategic Solutions Blog

Victor Padilla, CFE | Managing Director, Forensics and Litigation Services

Victor has more than 15 years of experience in anti-corruption efforts, forensic accounting, corporate investigations, fraud detection, damages calculations, litigation consulting and advanced data analytics. He has worked on a broad array of cases involving kickbacks, collusive bidding, money laundering, embezzlement and financial record manipulation, among other unlawful activities. Victor has led forensic investigations and compliance assessments, including ones related to the Foreign Corrupt Practices Act (FCPA) in the U.S.A., Mexico, Canada, Panama, Colombia, Venezuela and Brazil.

During his career, Victor has held principal and managing director positions at various multi-national accounting and advisory consulting firms.

His experience includes managing forensic data analytics teams and overseeing the process of acquiring, extracting, cleansing, converting and applying statistical analysis techniques to query large volumes of transactional data. The result is the capability of efficiently processing hundreds of millions of records and to present complex data issues in an understandable manner.

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Representative Client Experience

- Shell Oil
- Siemens AG
- Federal Deposit Insurance Corporation
- Lehman Brothers
- Bank of Montreal
- Eaton

Professional Involvement, Additional Certifications and Education

- Certified Fraud Examiner (CFE)
- Member, ACFE and AICPA
- Master of Business Administration, University of Dallas
- Master of Science, accounting, University of Texas at Dallas (currently enrolled)

Representative Presentations and Publications

- "USMCA Heralds New Era of Anti-Corruption Enforcement" *Insights Latin Lawyer*
- "Analyzing Mexico's New National Anti-Corruption System," RSM US
- "Using data analytics to detect and prevent fraudulent activity," *Risk and Compliance*
- "Data analytics is a powerful tool to prevent fraud and manage risk," RSM US
- "A Robust Corporate Compliance Program & Continuous Monitoring," Annual Dallas IIA Super Conference
- "Key regulatory considerations in cross-border transactions: Foreign Corrupt Practices Act and the UK Bribery Act of 2010," Annual University of Texas at Dallas Fraud Summit
- "Using Data Analytics in a Fraud Investigation," ISACA
- "Using Data Analytics in a Fraud Investigation," Annual University of Texas at Dallas Fraud Summit

Team Resources: c. Compliance Audit

Team Lead

Brandon Tanous, CIA, CFE, CGAP, CRMA | Partner, Risk Advisory Services

Brandon has over 15 years of internal audit and advisory experience, including extensive work for government agencies, councils of government, municipalities and higher education. His primary focus is on internal audit, fraud detection, business process improvement, internal control evaluation, risk management and grant and contract monitoring.

Brandon combines the insight gained from experience working inside state agencies with more than seven years at Weaver helping clients improve their organizational and compliance objectives and reduce risk. He also has experience conducting quality assessment reviews for state agencies.

He is also a compelling public speaker and trainer; he trains and mentors audit and client staff, teaching principles and techniques of internal audit and risk management.

Representative Clients

- Texas Department of Public Safety
- Texas Commission on Environmental Quality
- Houston-Galveston Area Council
- City of Houston
- City of Irving
- City of Denton
- City of Corpus Christi
- El Paso County
- Fort Bend County MUD 58
- Metropolitan Transit Authority of Harris County (METRO)
- Capital Metropolitan Transportation Authority (CapMetro)
- Harris County Health
- University of Texas of the Permian Basin
- North Texas Tollway Authority

Professional Involvement, Additional Certifications and Education

- CIA, CFE, Certified Government Auditing Professional (CGAP) and Certification in Risk Management Assurance (CRMA)
- Member, Board of Governors and Past President, IIA (Houston Chapter)
- Member, IIA Chapter Relations Committee
- Member, ACFE
- Master of Public Administration and Bachelor of Public Administration, Texas State University

Representative Presentations and Publications

- "Modernizing Your Risk Assessment and Audit Planning Process," Weaver Government CPE Series
- "Keeping the Pulse on Today's Organizational Risks," Weaver Wednesdays – Government CPE Series Webinar

- "How Audits Become Investigations," IIA Austin Chapter
- "Risk and Control Self-Assessment in your Organization," IIA Austin
- Fraud Risk and Control," Texas State University Accounting Class
- "Stop Acting Like Auditors" IIA International Conference
- "Perfecting Your Audits and Client Relations," International Law Enforcement Auditor's Association Annual Conference
- "Assurance Continuum and Internal Controls," IIA Southern Regional Conference
- "Playing Defense: Guarding Against a CARES Audit Disaster," Texas State Auditor's Office Annual Audit Conference
- "Prudent Practices to Reducing Grant Fraud," *Weaver: Beyond the Numbers – The Business of Government Podcast*
- "Contract and Compliance Monitoring – Building a Successful Program," IIA Houston Government Conference

Take initiative. Lead. Always think about how we can improve.

Brandon says: "My favorite core value is **Take initiative. Lead. Always think about how we can improve.** The ability to work with clients and our teams to think outside the box for new and creative solutions ensures we not only deliver on our promises, but to also provide value that's often unexpected."

Additional Staff

Michael Karnes, CPA | Manager, Risk Advisory Services

Michael has over 14 years of accounting and audit experience. During his time as a senior auditor in the Texas State Auditor's Office (SAO), he became deeply experienced with GAAP and generally accepted government accounting standards issued by the Government Accounting Standards Board (GASB).

CPA

Michael has performed multiple compliance audits for a variety of state and local entities.

While at the SAO, he also worked on multiple financial statement, single audit, and consolidated annual financial report audits.

In addition to his government experience, during his time as a senior operations and control specialist with Charles Schwab, he regularly prepared financial reports for limited-scope audits and verified accounting for mutual fund and stock statements. In addition, he ensured that the financial reports were in compliance with all Employee Retirement Income Security Act (ERISA) requirements.

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Representative Client Experience

- Cancer Prevention and Research Institute of Texas
- Employees Retirement System of Texas
- Teachers Retirement System of Texas
- Texas Department of Information Resources
- Texas Department of Licensing and Regulation
- Texas Health and Human Services Commission
- Texas Lottery Commission
- Texas Military Department
- Texas Permanent School Fund
- Texas State Library and Archives Commission
- Texas State Soil and Water Conservation Board
- Texas Veterans Commission
- Texas Workforce Commission
- Texas A&M University – San Antonio
- Lone Star College

Professional Involvement, Additional Certifications and Education

- Member, TXCPA and AICPA
- Masters of Business Administration, corporate finance, Saint Edward's University
- Bachelors of Business Administration, finance, Freed-Hardeman University

Be adaptable and innovative in all that you do.

Michael says: "My favorite core value is **Be adaptable and innovative in all that you do**. With changes in audit standards, client needs, and IT, the challenge to adapt to an always-changing environment and identifying new ways to bring innovative services to our clients continues to excite me."

Jeffrey Jones, CIA | Manager, Risk Advisory Services

For Jeff's resume, please see **Team Resources: a. Operational / Performance Audit**.

Team Resources: d. Information Systems Audits

Team Lead

Reema Parappilly, CISA, CDPSE | Partner, IT Advisory Services

Reema has more than 18 years of experience in providing IT advisory services. Her focus includes IT internal audits, Sarbanes-Oxley compliance, external audit support, and continuous controls monitoring.

She has experience in performing IT risk assessments and executing IT internal audit plans, including strategic electronic asset management, database administration (Oracle, SQL Server, MySQL), cloud governance, cloud computing and security, cybersecurity framework, data loss prevention, remote technology (post-COVID assessment), IT general controls, and system implementations. She also leads compliance engagements, including annual documentation of controls design and testing.

Through all of her engagements, Reema works to help clients balance compliance with organizational resource restrictions, and to educate process owners so they can make better decisions regarding internal controls.

CONFIDENTIAL

Representative Clients

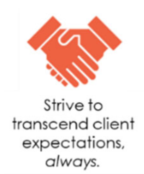
- Employees Retirement System of Texas
- California State Teachers' Retirement System
- State Board of Administration of Florida
- San Diego County Employees Retirement Association
- Texas Lottery Commission
- Texas Department of Insurance
- City of Houston
- City of Midland
- City of Corpus Christi
- Houston ISD
- Conroe ISD
- Austin Community College District
- College of the Mainland
- Lee College
- IBM Cloud

Professional Involvement, Additional Certifications and Education

- Member, Information Systems Audit and Control Association (ISACA), IIA, Insurance Accounting and Systems Association (IASA), Cloud Security Alliance (CSA) and AFCOM International
- Certified Information Systems Auditor (CISA) and Certified Data Privacy Solutions Engineer (CDPSE)
- Master of Science, information systems technology, and Bachelor of Business Administration, finance and information systems, George Washington University

Representative Presentations and Publications

- "Looking at IT Security through a Different Lens" GFOAT Houston Luncheon
- "Diversity in Security" Luncheon Speaker, Cloud Security Alliance's 2022 Annual SECtember Conference
- "Don't Have Your Head in the Clouds on Cloud," Association of Public Pension Fund Auditors (APPFA) Fall Conference
- "Application Implementations: How IA Can Save the Day," Texas State Auditor's Office
- "Cyber Attacks: How Prepared Are You?" TXCPA School District Conference
- "How to Reduce Terminated User Exceptions in Your Next Audit," Weaver Blog
- "Weaver Entrepreneur Mindset," ALPFA Regional Symposium
- "Application Implementations: The Good, the Bad and the Ugly," Weaver CPE
- "Incorporating Data Analytics into External Auditing and Internal Monitoring," TXCPA School District Conference
- "Jumping on the Analytics Bandwagon," ISACA "She Leads Tech" Conference
- "How Paranoid Should You Be? Understanding IT Risks," IIA
- "Cloud in the Forecast," ISACA Houston Governance Risk & Compliance



Reema says: "My favorite core value is **Strive to transcend client expectations, *always***. Approaching engagements and clients with curiosity and thoughtfulness allows our teams to not just achieve the engagement objective, but also to educate our clients."

Additional Staff

Trip Hillman, CISSP, CISA, CEH, GPEN, GCFE, GSNA, GCWN, CCSK, QSA | Partner, IT Advisory Services

Trip has more than 11 years of hands-on experience evaluating IT security in a broad range of environments. He has performed and led over 200 substantial audits across hundreds of unique IT environments. He is regularly called on to help organizations evaluate their overall security posture and to develop prioritized, balanced roadmaps for increasing security maturity. He also performs IT risk assessments, IT audits, vulnerability assessments and penetration tests to help companies maintain ongoing security over time.

Trip remains at the forefront of best practices, regulatory requirements and leading frameworks (including COBIT, NIST-CSF, TAC 202, CIS20 CSC, ISO 27001).

Highly respected in his field, Trip teaches security auditing classes across the nation for the SANS Institute, the leading research and education organization for security professionals.

Representative Client Experience

- Employees Retirement System of Texas
- California State Teachers' Retirement System
- Cancer Prevention and Research Institute of Texas City of Dallas
- Texas General Land Office
- North Texas Tollway Authority
- Austin Water
- University of Texas System
- Austin Community College District
- College of the Mainland
- Blinn College
- Dallas ISD
- IBM Cloud

Professional Involvement, Additional Certifications and Education

- Member, International Information Systems Security Certification Consortium (ISC2), ISACA, IIA and CSA
- Instructor, SANS Institute
- Certified Information Systems Security Professional (CISSP), CISA, Certified Ethical Hacker (CEH), GIAC Certified Penetration Tester (GPEN), GIAC Certified Forensic Examiner (GCFE), GIAC Systems and Network Auditor (GSNA), GIAC Certified Windows Security Administrator (GCWN) and PCI Qualified Security Assessor (QSA)
- Bachelor of Business Administration, management information systems, Baylor University

Representative Presentations and Publications

- "Visualizing a Cybersecurity Plan: Out of Mind and onto Paper," Texas SAO Conference
- "Communicating with the Board: Addressing Board Reports from the Cyber Perspective," Weaver Government CPE Series Webinar

- "Cybersecurity Update: Guarding Against Cyber Attacks Following Russia's Invasion of Ukraine," Weaver Blog
- "Confessions of a QSA: An Introduction to the Payment Card Industry Data Security Standard," *Weaver: Beyond the Numbers* Podcast
- "Ransomware…Still!" Weaver Wednesdays – Government CPE Series Webinar
- "Tips for Protecting Your Data Against Ransomware," Weaver Blog
- "Cyber Security, Fraud and Donor Data: Doing the Right Thing To Protect Your Not-for-Profit," Weaver Webinar
- "Cybersecurity Questions Board Members Should be Asking Management," Weaver Blog
- "Emerging Risks During the Post-COVID Era," *Weaver: Beyond the Numbers* Podcast
- "Cloud and Container Audit-Compliance Considerations," InfoSec World Conference & Expo
- "COVID-19 Happened: Where Did Your Data Go?" *Weaver: Beyond the Numbers* Podcast
- "The Road to Cybersecurity is Paved with Good Planning," InfoSec World Conference & Expo
- "Incident Response Triage: What to Do Before Picking Up the Phone," Weaver CPE
- "Cybersecurity: Developing & Assessing An Organizational Cyber Security Program," University of Texas MIS Masters Class 373-22
- "Cybersecurity Today – Avoid Becoming a News Headline," IIA Houston Government Auditors Conference

Do work you're deeply proud of, as if Weaver were *your* business.

Trip says: "My favorite core value is **Do work you're deeply proud of, as if Weaver were *your* business**. This value is instilled in all of us, and I enjoy watching as a wide range of team members truly act like Weaver is their own business by thinking critically about what moves the needle for our clients."

Brittany George, CISA, CISM, QSA | Partner, IT Advisory Services

Brittany has more than two decades of experience, including former Big Four experience. Her current focus includes cybersecurity, IT consulting, SOC reporting, evaluation and testing of IT general controls (ITGCs) and regulatory compliance services (including Payment Card Industry and Sarbanes-Oxley).

She has extensive experience with government operations, systems and risks, having led IT audit activities for numerous municipalities and school districts. She is also deeply experienced with system integration and user acceptance testing.

A guest lecturer at the University of Texas and the University of Oklahoma, Brittany is highly regarded for her insightful knowledge of information security best practices, as evidenced by recent presentations at the InfoSec World Conference & Expo, at various ISACA chapters and the TXCPA.

Representative Client Experience

- ERCOT
- Dallas Area Rapid Transit
- Tarrant Appraisal District
- Austin Community College District
- Tarrant County College District
- Alamo Colleges
- Irving ISD
- Fort Worth ISD
- Garland ISD
- McKinney ISD
- City of Dallas
- City of Fort Worth
- City of Denton
- City of Garland
- City of Irving
- City of Southlake
- IBM Cloud
- Brink's, Inc

Professional Involvement, Additional Certifications and Education

- Member and Past President, ISACA North Texas
- Member, IIA and Advancing Data Center and IT Infrastructure Professionals (AFCOM)
- Member, Tech Titans (formerly Metroplex Technology Business Council)
- Tri-Chair, Cybersecurity Forum of Tech Titans
- Advisory Board, SecureWorld, Dallas
- CISA, Certified Information Security Manager (CISM) and QSA
- Professional Graduate Certificate in cybersecurity, Harvard University
- Bachelor of Business Administration, management information systems, University of Oklahoma

Representative Presentations and Publications

- "COVID 19: Keeping IT Controls and Security Awareness Top of Mind for Peace of Mind," Weaver Blog
- "Risky Business – Is Your Cybersecurity in Cruise Control" InfoSec World
- "Are You Privacy Prepared?" Weaver Blog
- "Making Privacy a Priority: New Framework Helps Companies Develop and Implement Privacy Strategies," Weaver Blog
- "Are You Prepared for a Cyber Breach?" Weaver Blog
- "The Road to Cybersecurity is Paved with Good Planning," InfoSec World Conference & Expo

- "Risky Business – Is Your Cybersecurity in Cruise Control," Financial Executives International (FEI) Fort Worth Chapter
- "Are You Ready for the New Trust Services Criteria?" Weaver Blog
- "Cyber Fraud and Your Potential Liability," Cyber D&O Event
- "Incident Response Triage: What to do Before Picking up the Phone," Weaver CPE
- "Bitcoin and Blockchain," Panel, Texas Society of Certified Public Accountants (TXCPA) Financial Institutions Conference (FIC)
- "Women in Technology," Keynote Speaker, ISACA Houston Chapter, SheLeadsTech Conference
- "Changes to SOC 2 & Trust Services," ISACA North Texas Chapter

Take initiative. Lead. Always think about how we can improve.

Brittany says: "My favorite core value is: **Take initiative. Lead. Always think about how we can improve.** I like to be proactive and interactive with my clients to ensure the best level of client service and engagement success. Continuous improvement for the team, clients and myself is a top priority."

Alexis K. Kennedy, CPA, CISA, CISSP, CCSFP | Partner, IT Advisory Services

Alexis has more than 13 years of experience evaluating IT security in a broad range of environments. She has consulted with a wide range of clients, both large and small on security compliance and has performed and led over 150 audits across multiple industries and technology platforms.

Alexis' focus includes regulatory compliance (including HIPAA Security, GLBA, privacy regulations) and security governance utilizing industry-leading frameworks (including COSO, COBIT, NIST-CSF, CIS 20 CSC, ISO 27001, HITRUST CSF).

She also performs HITRUST Certifications, ISO 27001 Certifications, SOC examinations, security risk assessments, IT Audits, and other security compliance consulting services. She has extensive experience in executing and reporting on SOC 1 and SOC 2 engagements, leading teams that identify control objective areas, testing control design and operation, and report writing. Alexis also has a deep understanding of testing entity-level controls, general computer controls and application controls.

Representative Client Experience

- Cigna Corporation
- SAP NS2
- Koddi
- GDS Link
- Brink's Inc.
- Envolve PeopleCare
- Elevate Credit Services
- PMG Worldwide
- 21st Century Financial Services
- StackPath

Professional Involvement, Additional Certifications and Education

- Member, AICPA and Information Systems Audit and Control Association (ISACA)
- CPA, CISSP, CISA, Certified ISO 27001 Lead Auditor and Certified HITRUST CSF Practitioner (CCSFP)
- Master of Science, accounting and information systems, and Bachelor of Arts, accounting, Michigan State University

Representative Presentations and Publications

- " How to Avoid Turbulence When Moving Operations to the Cloud," Today's CPA
- "Ransomware Threatens to Hold Health Care Companies Hostage," Weaver Blog
- "Understanding Vendor Dependencies in a COVID-19 World," Weaver Blog
- "SOC Reporting in a COVID-19 World," Weaver Blog
- "Making Privacy a Priority: New Framework Helps Companies Develop and Implement Privacy Strategies," Weaver Blog

Keep perspective: Be passionate and diligent, *and have fun.*

Alexis says: "My favorite core value is **Keep perspective: be passionate and diligent and *have fun***. I truly believe the statement *the whole person comes to work*. We don't have a work version of ourselves and a home version of ourselves; we have one self. I love finding ways to integrate my home and work life to enable me and my team to achieve personal and professional gaols."

Brett Nabors, CISA, CCSK, CDPSE, CMMC RP | Partner, IT Advisory Services

Brett has more than 17 years of experience in advisory services, including formerly directing PwC's risk assurance practice in Austin. His primary focus is on IT governance, IT audits, business process improvement, security and privacy maturity assessments, integrated compliance and internal control assessments. Brett was a leader in PwC's national PeopleSoft practice, leading hundreds of hours of training for assurance professionals.

Brett is highly skilled in ERP system implementation, data analytics, IT control evaluations and other aspects of managing and improving IT security and performance. He regularly assists clients with improving controls and processes, identifying and addressing risks and aligning IT processes to overall organizational strategy.

Brett is adept at leading IT audits and risk assessments, operational and security audits and enterprise risk compliance engagements, and is deeply familiar with NIST and other security frameworks, in addition to management systems such as PeopleSoft and Hyperion. Recognized for his insight and experience, Brett regularly presents on governance, compliance, technology and security-related topics.

Brett has also served the University of Texas at Austin as a lecturer for two years, teaching accounting students the key aspects and importance of accounting information systems and the integration of business processes and systems.

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Representative Client Experience

- Cancer Prevention and Research Institute of Texas
- Employees Retirement System of Texas
- ERCOT
- Lower Colorado River Authority
- Texas Department of Motor Vehicles
- Texas General Land Office
- Texas Lottery Commission
- Texas Windstorm Insurance Association
- Guadalupe County Tax Office
- City of Dallas
- Austin Community College District
- Alamo Colleges District
- Blinn College
- Del Mar College
- Baylor Scott and White
- Dell

Professional Involvement, Additional Certifications and Education

- Member, ISACA and IIA
- Board Member for the Texas A&M University Internal Audit Program Advisory Board
- Former Member, Young Alumni Advisory Council, Texas A&M Association of Former Students

- CISA, CCSK, CDPSE and Cybersecurity Maturity Model Certification Registered Practitioner (CMMC RP)
- Bachelor of Business Administration, information and operations management, Texas A&M University, magna cum laude

Representative Presentations and Publications

- "Communicating with the Board: Addressing Board Reports from the Cyber Perspective," Weaver Government CPE Series Webinar
- "The IT Guy Won the Lottery: Is Your Organization Prepared?" Texas SAO Annual Audit Conference
- "In an IoT World, Is Your Health Care Data Secure?" Weaver Blog
- "Decrypting Crypto: The Basics for Businesses," Weaver Blog
- "Remote and Beyond: Cyber-security Risks for Districts," TASBO Engage Conference
- "Beyond the Generic IT: Discussion of Privacy, Security, Business Continuity, and the Remote Landscape," Weaver Wednesdays Government CPE Series
- "If the pandemic is an ocean, then technology is the ship districts must use to cross it," TASBO Internal Control Tips
- "Creating a More Robust Internal Control Environment, Inside and Out," Weaver Webinar
- "Today's Top Business Risks and Steps to Mitigate Them," CPA Practice Advisor
- "Maintaining Internal Controls as You Adapt to the New Normal," Weaver Webinar
- "Layoffs, Furloughs and Remote Workers Cause Internal Control Ownership to Change Hands. Now What?" Weaver Webinar
- "Cybersecurity," TXCPA Single Audits & Governmental Accounting Conference
- "Cybersecurity: Employees Are Your First Defense," Weaver Blog
- "How Paranoid Should You Be? Understanding IT Risks," IIA Conference

Take initiative. Lead. Always think about how we can improve.

Brett says: "My favorite core value is **Take initiative. Lead. Always think about how we can improve.** In the world of IT risks, the internal and external threats are forever changing. It is critical that we lead and take initiative to understand the prevailing risks and how we can help our clients can improve their IT environment to mitigate those shifting risks.

Shelby Mathers, CEH | Manager, Cybersecurity Services

Shelby has more than six years of experience in cybersecurity consulting, including, penetration testing, PCI (Payment Card Industry) penetration testing, social engineering assessments and network security assessments.

At Weaver, Shelby is responsible for executing, reporting and managing engagements to identity security risks and providing recommendations to audiences of varying technical backgrounds.

She also assists organizations with enhancing security-related processes, including incident response, vulnerability management and security awareness training. With significant experience providing services to a number of industries, including government entities and financial services, technology and health care companies, Shelby brings diverse knowledge to her clients.

Representative Clients

- California State Teachers' Retirement System
- Lower Colorado River Authority
- University of Texas System
- University of Texas at Arlington
- IBM Cloud
- The Independent Bankersbank
- Texas Community Bank
- Farm Credit Bank of Texas

Professional Involvement, Additional Certifications and Education

- Member, Michigan Council of Women in Technology (MCWT), Cloud Security Alliance (CSA) and Women's Security Alliance (WomSA)
- CEH
- Bachelor of Science, actuarial science, Michigan State University

Respect everyone for who they are and what they contribute, no matter how different.

Shelby says: "My favorite core value is **Respect everyone for who they are and what they contribute**. All of us come from different professional backgrounds and paths. We celebrate this by creating an environment safe for offering all solutions and ideas to help solve the problems our clients face."

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Evan Stephan, CISA | Manager, IT Advisory Services

Evan has more than six years of experience, with a focus on business process controls across a wide array of systems.

CISA

Evan's responsibilities include day-to-day oversights of IT engagements, controls testing, business process and IT risk assessments, and developing recommendations for improving controls for greater risk coverage and efficiency.

Prior to working at Weaver, Evan was an external financial auditor at a Big 4 Accounting Firm focusing on Large Accelerated Filers.

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Representative Clients

- Employees Retirement Systems of Texas
- Houston-Galveston Area Council
- Callon Petroleum
- Targa Resources Corporation/Targa Pipeline Partners
- Kinder Morgan
- Third Coast Midstream Partners (f.k.a. American Midstream)
- CSW Industrials
- Team Industrial Services
- Hanger, Inc.

Professional Involvement, Additional Certifications and Education

- Member, ISACA and IIA
- CISA
- Master of Science, accounting, and Bachelor of Science, accounting, the University of Texas at Dallas

Respect everyone for who they are and what they contribute, no matter how different.

Evan says: "My favorite Core Value is **Respect everyone for who they are and what they contribute, no matter how different.** Everyone has different experiences in life, and everyone deserves to be heard. If we're willing to listen to others, then we have the opportunity to learn from their shared experiences and grow in our own way. "

Mudra Mohanty | Manager, IT Advisory Services

Mudra has seven years of experience assessing risks, both within companies and as part of a Big Four public accounting firm. She helps clients assess and manage IT risks, IT general controls and application controls for compliance, leveraging her considerable experience with SAP systems.

With her multifaceted experience, Mudra can wear multiple hats to identify potential risks and provide insights.

Representative Clients

- TEAMS Inc.
- Cleco Corporate Holding LLC
- NewPark Resources Inc.
- Tidewater
- International Paper
- Frontdoor Inc
- Ericsson
- Thames Water

Professional Involvement, Additional Certifications and Education

- Member, ISACA and IIA
- Master of Management Information Systems, State University of New York at Buffalo
- Bachelor of Science, mechanical engineering, SOA University

Hunter Sundbeck, CISA, CDPSE, A+, CySA+ | Manager, IT Advisory Services

Hunter has over five years of experience in the Information Technology industry and has been working in public accounting for more than three years. During this time, Hunter has completed various projects that have included Information Security Risk Assessments, planning and project management for audit engagements, and other internal and external audit engagements, as well as SOX and IT SOX monitoring and testing and SOC I & II Control Testing & Reporting.

Hunter also has specific experience with HIPAA and other regulatory security requirements.

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Representative Client Experience

- Texas Department of Motor Vehicles
- Texas Windstorm Insurance Agency
- Dallas ISD
- Farm Credit Bank of Texas
- Hanger, Inc.
- 21st Century Financial Services
- Klarna
- CLEAResult
- Boon Chapman
- PMG
- Amherst Holdings, LLC

Professional Involvement, Additional Certifications and Education

- Member, ISACA and InfraGuard
- CISA, CDPSE, A+, CompTIA and CySA+, CompTIA
- Bachelor of Computer Information Systems and Master of Business Administration, Texas State University

Hunter says: "My favorite core value is **Be adaptable and innovative in all that you do.** In a constantly changing world, we need to be able to learn and adapt with it. The risks of today won't be the same risks we see tomorrow and companies will need to be ready in advance. We do our best to help our clients learn from the past, control the present, and determine their future."

Team Resources: e. Data Analytics / Continuous Monitoring

Team Lead

Morgan Page, CIA | Partner-in-Charge, Digital Transformation and Automation Services

Morgan leads the Digital Transformation and Automation service at Weaver. With 13 years of business experience, he regularly works with organizations at all stages of their digital transformation journey defining and delivering results that are sustainable, scalable and aligned with the needs of the organization.

He programs in multiple languages and has an in-depth knowledge of accounting and operations, providing unique insights for his clients.

Morgan regularly operates as a subject matter advisor on data visualizations, process automations, application implementations, performing technical analyses, and developing data models.

With a wide breath of experience across many different applications and methodologies, he has successfully helped organizations identify and implement the solution best for their operations, whether have billion-dollar annual revenues or are just starting up.

Representative Clients

- California State Teachers' Retirement System
- Employees Retirement System of Texas
- Lower Colorado River Authority
- Cancer Prevention and Research Institute of Texas
- University of Texas at Dallas
- Medical Center Health System
- Austin Community College District
- College of the Mainland
- City of Houston
- City of Denton
- City of Georgetown
- City of Grapevine
- City of Midland
- City of Tomball
- Tarrant Regional Water District
- Callon Petroleum Company
- Range Resources Corporation
- TEAM Industrial Services, Inc.

Professional Involvement, Additional Certifications and Education

- Certified Internal Auditor and Certified Talent Optimization Consultant (The Predictive Index)
- Member, IIA
- Bachelor of Science, business administration, University of Texas at Dallas

Representative Presentations and Publications

- "Helping Community Colleges Prepare for the Impact of HB 8," Weaver Blog
- "Being the Indiana Jones of your Digital Transformation Journey," Weaver Government CPE Series Webinar
- "Revolutionizing Data Management in Government: Insights and Best Practices," *Weaver: Beyond the Numbers – Government Impact* Podcast

- "Skillsets for Different Purposes: How to Think About Organizing Your RPA Team from Development to Maintenance," Weaver Blog
- "Robotic Process Automation on a Budget," Weaver Blog
- "Your Guide to a Successful Digital Transformation," Weaver Bog Series
  - *Planning Your Digital Transformation Journey*
  - *Creating the Right Culture for a Successful Digital Transformation*
  - *Understanding the Digital Infrastructure of Systems, Applications and Databases*
  - *Identifying the Knowledge and Skills in Your Organization to Support Your Digital Transformation Journey*
  - *Building an Innovation Architecture to Support Performance and Success*
  - *Building and Maintaining Momentum*
  - *Robotic Process Automation and Automation Are Not the Same*
  - *Staffing for Successful Digital Transformations*
  - *Citizen Developers: How to Rein in the Chaos*
  - *Architecting Your Digital Transformation Office*
- "Leveling Up Fraud Analytics: Using New Technologies to Catch Old Schemes," Weaver Wednesdays – Government Financial Officers Association of Texas
- "Empower Your Operations: Can Artificial Intelligence Drive Efficiencies?" (webinar), weaver.com
- "Don't Let Hidden Risks Impact Your New Investment," weaver.com
- "Facility Readiness and Resiliency in the New Normal" (webinar), weaver.com
- "How COVID-19 May Affect Non-Financial Businesses Subject to FASB's Credit Loss Standard," weaver.com
- "Preparing for Risk in a Changing Landscape: Business Continuity / Crisis Response," weaver.com
- "Needs Assessment Presentation" – Association of Desk and Derrick Clubs (ADDC)

Be adaptable and innovative in all that you do.

Morgan says: "My favorite core value is **Be adaptable and innovative in all that you do.** It is the essence of what we do with our Business Intelligence and Automation service, and we are constantly out in front to help our clients operate faster, better, and more dynamically. Every day we ask, *What did we do today that could be better tomorrow?*"

Additional Staff

Jason McBride | Director, Digital Transformation and Automation Services

Jason has more than 20 years of experience leading IT and analytics teams focused on client experience, process improvement, efficiency, user experience, cost reduction and actionable insights.

As a leader in Weaver's Digital Transformation and Automation practice, Jason works with clients across a broad range of industries to develop and execute their strategy and solutions.

Jason's background includes time spent at Fortune 500 companies such as CyberTrader and Charles Schwab. While in these roles, he worked towards turning disparate data points into prescriptive insights that leadership used to drive the business, and helped prioritize enhancements to digital products to boost user experience. As a team leader, Jason focuses on building a strong culture of employment development, quality work and maximizing strengths.

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Representative Client Experience

- Lower Colorado River Authority
- Lone Star College

Professional Involvement, Additional Certifications and Education

- Bachelor of Arts in economics, with certifications in computer science and MIS, University of Texas

Respect everyone for who they are and what they contribute, no matter how different.

Jason says, My favorite core value is **Respect everyone for who they are and what they contribute, no matter how different.** I am intrigued by how everyone is unique and enjoy learning what makes someone tick and how to get the most out of others."

Nitya Vashishtha, PSPO, CSPO, CBIP | Director, Digital Transformation and Automation Services

Nitya has more than 11 years of experience in technology transformation, data analytics and business consulting for Big Four as well as Fortune 100 organizations. She is currently a leader in Weaver's Digital Transformation and Automation group, and is well-versed in leading project teams, shaping client experience, formulating product strategies to achieve business outcomes, and defining product roadmaps for successful project execution.

Nitya focuses on implementing digital strategies that result in time and money saved. Her capabilities includes process re-engineering, automation, data analytics reports and data warehousing.

Neha is committed to bringing efficiencies to processes and blending human and technological insights to achieve data-driven, effective solutions.

Representative Client Experience

- Southwest Airlines
- ANZ Bank
- Scotia Bank
- Walmart

Professional Involvement, Additional Certifications and Education

- Bachelor of Arts in economics, with certifications in computer science and MIS, University of Texas

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Take initiative. Lead. Always think about how we can improve.

Nitya says, "My favorite core value is **Take initiative. Lead. Always think about how we can improve.** We need to be leaders in our area of responsibility and adopt an entrepreneurial attitude by taking responsibility for the delivery of solutions and the the willingness to improve based on feedback."

Team Resources: f. Risk Assessment and Audit Plan Development

Team Lead

Daniel Graves, CPA | Partner, Risk Advisory Services

For Dan's resume, please see **Team Resources: a. Operational / Performance Audit**.

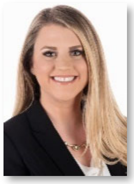
Additional Staff

Holly Hart, CPA, CIA | Manager, Risk Advisory Services

For Holly's resume, please see **Team Resources: a. Operational / Performance Audit**.

Team Resources: g. Financial Audit

Team Lead



Jennifer Ripka, CPA | Partner, Assurance Services

Jennifer has more than 15 years of public accounting experience focused on government entities, including municipalities, special purpose districts and school districts.

Jennifer has served several complex government entities with greater than $1 billion in revenues/assets.

A member of the GFOA Special Review Committee, she currently serves as engagement partner for nine entities that receive the GFOA award for excellence in financial reporting. She is also deeply experienced with federal and state single audit requirements, and regularly consults with her clients on the implementation of new accounting standards. In addition to her client obligations, Jennifer serves on the firm-wide Learning and Development Committee and the government services internal peer review team, and leads the firm's annual single audit and governmental accounting trainings.

Representative Clients

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- City of Lubbock
- City of McKinney
- City of Frisco
- City of Grand Prairie
- City of Irving
- City of Bedford
- City of Colleyville
- City of the Colony Local Development Corporation
- City of Desoto
- City of Lancaster
- City of Saginaw
- City of Southlake
- Town of Trophy Club
- Trophy Club Municipal Utility District
- Trinity River Authority
- Denton County Transportation Authority
- Reeves County
- East Texas Council of Governments
- Tarrant County College Foundation
- Dallas Baptist University
- Dallas ISD
- Grand Prairie ISD
- Hurst-Euless-Bedford ISD
- Lewisville ISD
- Plano ISD
- Rockwall ISD
- Wylie ISD

Professional Involvement, Additional Certifications and Education

- Member, AICPA, TXCPA, GFOA and its Special Review Committee
- Bachelor of Business Administration, accounting, Texas Tech University

Representative Presentations and Publications

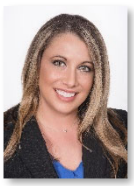
- "Subscription-Based Headaches!" Weaver Government CPE Series Webinar
- "Single Audits – What's New, What's Changing, What's Challenging?" Weaver: Beyond the Numbers Podcast
- "Single Audits, What You Need to Know," Weaver Wednesdays – Government CPE Series Webinar

- "Confused About How to Calculate the Discount Rate for Leases? You're Not Alone!" Weaver Blog
- "Federal ESSER Funding Creates Opportunities and Challenges for School Districts," Weaver Blog
- "February's Deep Freeze Taught Texas School Districts Some Unexpected Lessons," Weaver Blog
- "Educators Take Note: Expenses for COVID-19 Protective Items May Be Tax Deductible," Weaver Blog
- "Fund Your Future: Understanding and Protecting Fund Balances," Weaver Blog
- "New Title IX Harassment Rules Took Effect in August," Weaver Blog
- "Weaver Wednesdays - Government CPE Webinar Series: GASB Update," Weaver Webinar
- "Nonprofit Accounting & Audit" – Weaver CPE
- "The Audit: Lessons Learned and Common Pitfalls" – North Central Texas Council of Governments
- "Jumping on the Analytics Bandwagon" – Weaver CPE DFW
- "GASB 61 and GASB 62" – Weaver Fall Governmental & Nonprofit CPE DFW

Strive to transcend client expectations, *always.*

Jennifer says: "My favorite core value is **Strive to transcend client expectations, *always***. You won't find many people that are more passionate about their clients than I am. I enjoy building relationships with them, learning about their organizations, and doing anything I can to help them succeed. I feel like I'm really making a difference."

Additional Staff



Sara Dempsey, CPA | Partner-in-Charge, Government Services

Sara has more than 19 years of public accounting experience and currently leads Weaver's Government Services practice. Her primary emphasis over the course of her career has been governmental accounting and auditing municipalities, councils of governments, school districts and other local government entities.

Sara serves on the AICPA State and Local Government Expert Panel and the Special Review Committee for the GFOA.

She serves clients who submit their audit for GFOA's Certificate of Achievement for Excellence in Financial Reporting program, and provides technical guidance on proper accounting treatment for complex transactions and the implementation of new accounting standards.

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Representative Clients
- City of Dallas
- City of Houston
- City of Garland
- City of Irving
- City of Plano
- City of Denton
- City of Killeen
- City of Addison
- City of Allen
- Dallas ISD

Sara has led audits for multiple components of her city clients, such as City of Dallas's Love Field Airport, Garland Power and Light, Denton Municipal Electric, Cities of Dallas and Irving's Convention Centers, multiple community and economic development corporations, Addison Airport, and Killeen Airport. She also performs several agreed-upon procedures for the cities of Dallas, Irving, Garland, Euless and Grapevine.

Professional Involvement, Additional Certifications and Education
- Member, TXCPA, GFOA and its Special Review Committee, and Financial Reporting and Regulatory Response Committee of the GFOA of Texas (GFOAT)
- Member, AICPA State and Local Government Expert Panel
  - Task Force Chair, ARPA Compliance Committee
  - Task Force Member, GASB 87, Leases and Financial Reporting Model Exposure Draft
- Member, Accounting Committee of the TASBO and Women in Public Finance
- Bachelor of Business Administration, accounting, Texas State University

Representative Presentations and Publications
- "Subscription-Based Headaches!" Weaver Government CPE Series Webinar
- "GASB 87: Lease Implementation Has Arrived," Weaver Wednesdays – Government CPE Series Webinar
- "How State and Local Governments Can Use Recent Influx of Coronavirus Recovery Funds under the ARPA," Weaver Blog

- "Five Tips for a Smoot Financial Statement Audit in a Rocky Year," Weaver Blog
- "FBI Alert Highlights Heightened Ransomware Threat to Education Institutions," Weaver Blog
- "Educators Take Note: Expenses for COVID-19 Protective Items May Be Tax Deductible," Weaver Blog
- "IBM Announces $3 Million Grant Program to Strengthen Cybersecurity in Schools," Weaver Blog
- "Transparency Means More Than an Online Checkbook," Weaver Blog
- "Navigating the Challenges of Implementing GASB 87: Leases," Weaver Blog
- "New Title IX Harassment Rules Took Effect in August," Weaver Blog
- "Weaver Wednesdays - Government CPE Webinar Series: GASB Update," Weaver Webinar
- "Fed Announces $2.3 Trillion More in Coronavirus Relief," Weaver Blog
- "Fed Offers Aid to States and Large Cities and Counties," Weaver Blog
- "COVID-19: FEMA Funding, Programs and Tips for Government and Education Leaders," Weaver Blog
- "GASB Accounting & Audit Update," Weaver DFW Public Sector and Nonprofit CPE Day Dallas
- "Preparing for a Successful Year-End Close," TASBO

Keep perspective: Be passionate and diligent, *and have fun.*

Sara says: "My favorite core value is **Keep perspective: Be passionate and diligent, *and have fun*.** Our government team is great at being passionate and diligent, and having fun in the workplace is just as important. It helps keep everyone motivated and excited about what we do and why we do it, and it's why our client service is exceptional."

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Lauren Futch, CPA | Supervisor, Assurance Services

Lauren has more than six years of public accounting experience, including experience with audit and assurance engagements for state and local government entities such as state agencies, cities, and school districts.

Lauren has experience with complex financial statement audits in accordance with governmental auditing standards, including state Department of Housing and Community Affairs' and Annual Comprehensive Financial Reports.

In addition, she has experience in auditing for public employee retirement systems (PERS), including pension and other post-employment benefit plans for multiple cost-sharing employers under GASB 67/68 and GASB 74/75. Lauren supervises engagement teams and communicates with clients on financial audits of all sizes.

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Representative Clients

- State of Texas
- Texas Department of Housing and Community Affairs
- Teachers Retirement System of Texas
- Employees Retirement System of Texas
- Texas Comptroller of Public Accounts
- Frisco Independent School District
- City of Wylie
- City of Anna
- The Dallas Foundation
- Retina Foundation of the Southwest

Professional Involvement, Additional Certifications and Education

- CPA, Texas and New York
- Bachelor of Science, Accounting, State University of New York at Old Westbury

Help each other succeed at work and in life.

Lauren says: "My favorite core value is **Help each other succeed at work and in life**. As the saying goes, *Teamwork makes the dream work*. I believe that teaching others and building a great sense of camaraderie is one of the most important things you can do to ensure success for you, your team and your clients."

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Team Resources: h. Accounting and Financial Services

Team Lead

Rebecca Goldstein, CPA | Partner, Assurance Services

Rebecca has more than 20 years of public accounting experience, with a strong focus on providing financial and compliance audit services to government entities.

During her 17-year tenure with a Big Four firm, she was also responsible for managing financial and compliance audits for dozens of Texas state agencies.

She is an experienced leader of audits of government entities in accordance with generally accepted government auditing standards (GAGAS) and Uniform Guidance.

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Representative Clients Experience

- Employees Retirement System of Texas
- State Bar of Texas
- Texas Water Development Board
- Texas Emergency Services Retirement System
- Texas Board of Law Examiners
- Texas Municipal Retirement System
- Texas County and District Retirement System
- Texas Guaranteed Student Loan Corporation
- Texas Higher Education Coordinating Board
- Texas Health and Human Services Commission
- Texas Department of Transportation
- Texas Department of Public Safety
- Texas Department of Housing
- Texas Department of Agriculture
- Texas General Land Office
- Texas Workforce Commission
- Texas Education Agency

Professional Involvement, Additional Certifications and Education

- Member, AICPA, TXCPA, GFOA and its Special Review Committee
- Bachelor of Business Administration, accounting, Southwest Texas State University

Representative Presentations and Publications:

- "Auditing Standards and Yellow Book Update," Weaver Wednesdays – Government CPE Series Webinar
- "Successful Grant Compliance in Six Steps," Weaver Blog
- "Six Steps to Successful Grant Compliance for School Districts," Weaver Blog
- "Government Webinar: Grant Administration and Compliance," Weaver Webinar
- "GASB Accounting & Audit Update" – Weaver CPE
- "Single Audit - What Do I Need to Know and Am I Prepared?" – TXCPA School District Accounting and Auditing Conference

Be adaptable and innovative in all that you do.

Rebecca says: "My favorite core values is **Be adaptable and innovative in all that you do**. I love being able to look for new ways to continuously improve our audit processes and be adaptable to new client demands, new accounting pronouncements, etc. It's easy to want to stick to the ways we've always done things, but sometimes you have to go through growing pains to come out the other side stronger and wiser."

Additional Staff

Matt Rogers, CPA | Senior Manager, Assurance Services

Matt has more than 10 years of experience auditing government and not-for-profit entities. He is skilled in applying single audit, GAGAS and SAS guidelines, as well as preparing ACFRs that meet GFOA requirements. His experience includes complex accounting research and development of work papers that assist staff and clients in meeting reporting requirements and helping with proficiency.

Matt has provided continuing education sessions for the Texas Association of School Business Officials (TASB) and Texas Municipal League.

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Representative Client Experience

- City of Conroe
- City of Jasper
- City of Hempstead
- City of Wortham
- Education Service Center, Region 6
- Cypress-Fairbanks ISD
- Pasadena ISD
- Klein ISD
- Grand Prairie ISD
- Pflugerville ISD
- Montgomery County
- Walker County
- East Texas Support Services
- Needham Fire & Rescue
- Varnett Charter School
- Kirkham, P.C.

Professional Involvement, Additional Certifications and Education

- Member, AICPA, TXCPA and GFOA
- Bachelor of Business Administration, economics, Sam Houston State University, summa cum laude

Strive to transcend client expectations, always.

Matt says: "My favorite core value is **Strive to transcend client expectations, always**. I enjoy working with my clients to reassure them that I am giving them the best service that I'm capable of."

Brandon Tran, CPA| Manager, Assurance Services

Brandon has more than six years of public accounting experience focused on governmental and not-for-profit entities.

Brandon plans and performs audits and consulting engagements in accordance with generally accepted government auditing standards and the Single Audit Act, Uniform Guidance.

As an audit manager, Brandon works closely with the leadership team and is involved in the overall performance of the fieldwork. He reviews financial statements for proper reporting and disclosures and supervises and reviews the work of engagement team staff.

Representative Clients

- State of Texas
- Texas Department of Housing and Community Affairs
- Teachers Retirement System of Texas
- Employees Retirement System of Texas
- Texas Comptroller of Public Accounts
- Frisco Independent School District
- City of Wylie
- City of Anna
- The Dallas Foundation
- Retina Foundation of the Southwest

Professional Involvement, Additional Certifications and Education

- CPA, Texas and New York
- Bachelor of Science, Accounting, State University of New York at Old Westbury

Respect everyone for who they are and what they contribute, no matter how different.

Brandon says: "My favorite core value is **Respect everyone for who they are and what they contribute**. We all come from different walks of life and bring various experiences and voices to the table. These differences are what spark great ideas and make things fun. Without diversity, life would be boring."

Team Resources: i. Managerial Advisory Services

Team Lead

Todd Hoffman | Partner, Government Consulting Services

Todd has 34 years of consulting experience successfully delivering results for local and state government entities. He has led large-scale projects in business process improvement, financial and organizational assessments, grants management technology implementations, workforce development, stakeholder outreach and inclusion, employee engagement and change management and communications.

Todd is a frequent conference speaker on human capital and various performance improvement topics. He has authored numerous white papers on organizational improvement and grant management, including a recent white paper entitled ***Readying State and Local Governments for the $550B Infrastructure Investment and Jobs Act Funding***, available at this link or via the QR code.

DOWNLOAD PDF

Todd is experienced in business process improvement, change management, stakeholder outreach and engagement and orgaizational design work and has led many projects over his career in state and local government.

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Representative Client Experience

- **State of Arkansas –** Led a state-wide transformation and agency consolidation under the Governor's office, reducing the size of government while improving its delivery and efficiency:
  - Department of Finance and Administration – Business process improvement project
  - Department of Transportation – Business process and operational improvement project for
- **State of Oklahoma –** Led business process improvement, change management, employee engagement and governance for an ERP implementation; also led state-wide transformation and agency consolidation project under the Governor's office helping to reduce the size of government while improving its delivery and efficiency
- **Harris County –** Led county-wide 311 projects for the county focusing on change management and communication, working closely with the CIO and county executive leadership team
- **Tarrant County –** Program design and performance and administration improvement
- **Travis County –** Program design and performance and administration improvement
- **Bexar County –** Program design and performance and administration improvement
- **Arizona Department of Corrections, Rehabilitation and Recovery –** Process improvement and change management; led state-wide transformation and agency consolidation under the Governor's office; led state-wide business process improvement project for the Department of Corrections

Professional Involvement, Additional Certifications and Education

- Member, Society for Human Resource Management (SHRM)
- Villanova University Essentials of Project Management, Lean Six Sigma and Six Sigma Green Belt
- Bachelor of Business Administration, accounting, Lamar University

Representative Presentations and Publications

- "Designing and Administering Efficient, Audit-Ready Grant Programs," Weaver Blog

- "Revolutionizing Data Management in Government: Insights and Best Practices," *Weaver: Beyond the Numbers – Government Impact* Podcast
- "Enterprise Performance Management and Problem Solving in Your Organization," *Weaver: Beyond the Numbers – Government Impact* Podcast
- "Managing a Deluge of Funds – and Delivering on Promises," *Weaver: Beyond the Numbers – The Business of Government* Podcast
- "Improving Outcomes and Transforming Culture in State Correction Agencies," Weaver Whitepaper
- "Readying State and Local Governments for the $550B Infrastructure Investment and Jobs Act Funding," Weaver Whitepaper

Do work you're deeply proud of, as if Weaver were *your* business.

Todd says: "My favorite core value is **Do work you're deeply proud of, as if Weaver were *your* business**. When I enter into a contract with my clients, I take that responsibility personally and strive to lead my team to exceed expectations, while enjoying the work."

Additional Staff

Rick Astray-Caneda III, Ph.D. | Senior Manager, Government Consulting Services

With 12 years of experience leading government strategy teams partnering with state and local governments, Rick has created operating models, functional designs and policies for more equitable and resilient human services programs.

Rick is experienced in applying qualitative research methods and human-centered design principles to engage diverse groups, including the public, in partnerships.

Rick has also managed global projects with stakeholders across ten countries while starting a major global consulting firm's global crisis management service. He led *pro bono* consulting projects for two and half years for the United Nations Office for Disaster Risk Reduction (UNDRR) global partnership with the private sector for disaster-resilient societies. His Ph.D. is in Public Affairs, focused on social vulnerability and resilience in the context of disaster risk reduction. Throughout his career, Rick has used these skills to help clients communicate effectively with stakeholders and optimize their disaster response.

Representative Client Experience

Rick has led teams helping state and local governments make the most of new systems and the implementation process. This work includes:

- At over half a dozen state and local governments, typically for child welfare systems, led teams to create functional designs to build custom Human Service applications helping agencies deliver the best services for their constituents. Worked with practitioners in Human-Centered Design programs to design systems that helped them work in ways conducive to their practice, monitored for risks in client cases, and displayed data in a manner that drove effective decision-making.
- Led a team of consultants and designers on a Human-Centered Design engagement working with nine state agencies to create and integrated Human Services call center. Conducted interviews, focus groups, and Human Centered Design sessions to capture unique needs and learnings at each agency and present to statewide executive leadership in a two-day design session for the new center.
- Served as the requirements librarian managing 1,200+ requirements across multiple vendors on the build of one of the first state health insurance exchanges.

Professional Involvement, Additional Certifications and Education

- Doctorate of Philosophy, public affairs, Master of Public Affairs, and Bachelor of Arts, political science, Florida International University

Strive to transcend client expectations, *always.*

Rick says: "My favorite core value is **Strive to transcend client expectations, *always***. Resilience and sustainability can only be built from the ground up, with communities owning the design and ongoing operation of programs. Actively co-designing with the residents is the best way to build shared resilience."

Adam Jones | Senior Advisor, Risk Advisory Services

Adam has 11 years of experience as a management consultant focusing on organizational and IT assessment. He brings both broad and deep experience in strategic governance, human resources, policy development and implementation and effective operations management.

A regular presenter and speaker on leadership and management topics, Adam is a trained facilitator who fosters productive dialogue among competing views and helps create meaningful and sustainable change.

He is a former Deputy Education Commissioner in Texas, where he served as the Chief Operating Officer over the state's department of K – 12 education.

Representative Client Experience

- Employees Retirement System of Texas
- California State Teachers' Retirement System
- Los Angeles County Employees Retirement Association
- Cancer Prevention and Research Institute of Texas
- Lower Colorado River Authority
- Texas Department of Insurance
- Texas Department of Information Resources
- Texas Windstorm Insurance Association
- State Bar of Texas
- City of Houston
- Capital Metropolitan Transportation Authority
- Dallas ISD
- El Paso ISD
- Austin Community College District
- Texas A&M University
- Tyler Junior College

Professional Involvement, Additional Certifications and Education

- Master of Arts, public policy, Duke University
- Bachelor of Arts, economics, University of Texas at Austin

Representative Presentations and Publications

- "Five Traits of Difference Makers," Weaver Executive Resource Center Series
- "Interesting Times: The Future of the Texas Political Economy," Weaver Wednesdays – Government CPE Series Webinar
- "How Are You Doing…Really? Cultural Insights From Organizational Assessment," Weaver Wednesdays – Government CPE Series Webinar
- "Podcast: Ransomware…What in the World Is Going On?" *Weaver: Beyond the Numbers – The Business of Government* Podcast
- "The Five Traits of Successful Employees," TASBO 2021 Engage Conference
- "Who's Zooming Who? How to Build a Great Corporate Culture When Office Work Isn't Possible," Podcast, Weaver: Beyond the Numbers
- "Setting People Up for Success," Podcast, Weaver: Beyond the Numbers
- "The Evolving CFO: Effectiveness Across a Broad Span of Control," Weaver Blog

- "Lonely at the Top: The Expanding Role of the Government CFO," Weaver Blog
- "Where Are We Going Next? Gaining Insights from Organizational Assessment," Webinar
- "The Power of Strategic Governance," Podcast, Weaver: Beyond the Numbers
- "In Crisis Times, Organizational Capacity Is Both Tested and Triumphant," Podcast, Weaver: Beyond the Numbers
- "How Are We Doing Really? Issues in Organizational Assessment," TASBO Annual Conference
- "School Safety and Resources for Public Schools: A Discussion with Flip Flippen and Adam Jones," The Flippen Group
- "Texas Is a Dynamic State That'll Never Stop Surprising," Podcast, Weaver: Beyond the Numbers
- "What Do We Do for an Encore? Fiscal Sustainability in Texas Government," Weaver Government CPE Day
- "Why Texas Has One of the Nation's Best Economies," Podcast, Weaver: Beyond the Numbers
- "Seeking Higher Ground: Texas Economics & Politics in a Post-Harvey World," Weaver CPE
- "Are We Having Fun Yet? Organizational Issues that Impact Performance," Texas State Auditor's Office Audit Conference and Texas Association of School Business Officials (TASBO)
- "Time to Change Course: Reclaiming the Potential of Texas Charter Schools; A State Case Study," with Amanda List, Foundation for Excellence in Education

Keep perspective: Be passionate and diligent, *and have fun.*

Adam says: "My favorite core value is **Keep perspective: Be passionate and diligent, and *have fun***. You need to enjoy what you do. Remember the fun part! As on an old friend used to remind me: *Lack of a sense of humor is its own punishment*."

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CGMS

Jenn Garrett, CGMS | Supervisor, Government Consulting Services

Jenn is a Certified Grants Management Specialist, with more than three years of experience in developing, implementing, and monitoring CDBG, CDBG-DR and HOME funded housing programs that promote community flood resiliency. Jenn brings detailed knowledge of federal grant compliance and administration, and is skilled in project management, partnership development, and problem solving, and is proficient in handling diverse functions with a passion for working with communities to reach sustainable solutions.

As the former Program Manager for one of Harris County Community Services Department's affordable housing programs, she was responsible for overseeing the pre-development, pre-construction, and construction of five single-family housing developments and the acquisition of 26 single-family units, resulting in a planned total of over 200 new and affordable homes to benefit program-qualified families. She was integral to ensuring the program's mixed-income developments were designed and constructed utilizing green infrastructure practices to promote equity and sustainability for the community. Moreover, she spearheaded the development and implementation of the applicant process for this $82M+ CDBG-DR and CDBG funded program.

Jenn worked directly with the Texas General Land Office to further promote effective and compliant expenditure of the program's grant funds as defined by federal, state and local requirements.

Jenn was responsible for preparing, updating and approving grant program documentation, including program guidelines and standard operating procedures, project applications, monthly project and applicant reports, program memos, project budgets, project timelines, vendor and applicant contracts, draw packets, and vendor invoices and inputting required documents into the GLO's system of record, Texas Integrated Grant Reporting (TIGR). She is proficient in HOME, CDBG-DR and CDBG federal and state compliance requirements, including 2 CFR 200.

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Representative Client Experience

- Texas Department of State Health Services
- City of Houston
- City of Irving
- City of Moore
- City of San Marcos
- St. Petersburg College
- Corporation for Education Network Initiatives in California (CENIC)

Professional Involvement, Additional Certifications and Education

- Certified Grants Management Specialist (CGMS)
- Master of Science, Social Work, administration and policy practice, University of Texas at Austin
- Bachelor of Social Work, poverty studies and social justice, Baylor University

Help each other succeed at work and in life.

Jenn says: My favorite core value is **Help each other succeed at work and in life**. Supportive relationships are the foundation of lasting positive transformation, whether it be in our personal lives or in the workplace. These relationships create environments that allow colleagues to thrive, which ultimately results in bringing our best selves to best serve our valued clients."

Morgan Page, CIA | Partner-in-Charge, Digital Transformation and Automation Services

For Morgan’s resume, please see **Team Resources: e. Data Analytics / Continuous Monitoring**.

Jason McBride | Director, Digital Transformation and Automation Services

For Jason’s resume, please see **Team Resources: e. Data Analytics / Continuous Monitoring**.

Nitya Vashishtha, PSPO, CSPO, CBIP | Director, Digital Transformation and Automation Services

For Nitya’s resume, please see **Team Resources: e. Data Analytics / Continuous Monitoring**.

Staffing Capabilities

The flowing Staffing Matrix depicts the depth and breadth of experienced Weaver resources available to serve the State.

● Indicates Experience

		SCOPES OF WORK								
		a.	b.	c.	d.	e.	f.	g.	h.	i.
Person	Position	Operational / Performance Audit	Investigative Audit	Compliance Audit	Information Systems Audits	Data Analytics / Continuous Monitoring	Risk Assessment & Audit Plan Development	Financial Audit	Accounting & Financial Services	Managerial Advisory Services
Key Team Leaders										
Alyssa Martin	Partner	●		●			●			●
Todd Hoffman	Partner									●
Dan Graves	Partner	●	●	●			●			●
Travis Casner	Partner		●							
Brandon Tanous	Partner	●		●			●			●
Reema Parappilly	Partner				●	●				
Morgan Page	Partner				●	●				●
Jennifer Ripka	Partner							●	●	
Rebecca Goldstein	Partner							●	●	
Additional Staff										
Jared Jordan	Partner		●							
Tim Mohr	Partner		●							
Trip Hillman	Partner				●					
Brittany George	Partner				●					
Alexis Kennedy	Partner				●					
Brett Nabors	Partner				●	●				
Neha Patel	Partner				●	●				
Sara Dempsey	Partner							●	●	
Jackie Gonzalez	Partner							●	●	
John DeBurro	Partner							●	●	
Laura Lambert	Partner							●	●	
Greg Peterson	Partner							●	●	

		a.	b.	c.	d.	e.	f.	g.	h.	i.
Adam Jones	Senior Advisor	●					●			●
Marci Sundbeck	Senior Advisor					●				
Bruce Mills	Director						●			
Jeffrey Lewis	Director		●							
Victor Padilla	Director		●							
Jason McBride	Director					●				●
Nitya Vashishtha	Director					●				●
Holly Hart	Senior Manager	●		●			●			●
Matt Rogers	Senior Manager							●	●	
David Friedenberg	Senior Manager				●					
Eric Peeters	Senior Manager			●	●					
Rick Astray-Caneda	Senior Manager									●
Yoram Kappel	Senior Manager	●		●			●			●
Claire Wootton	Senior Manager							●	●	
Brent Young	Senior Manager							●	●	
Jeff Wada	Senior Manager							●	●	
Stephanie Wilson	Senior Manager							●	●	
Brittany Drew	Senior Manager							●	●	
Bryant Sanchez	Senior Manager							●	●	
Brandon Tran	Senior Manager							●	●	
Jeff Jones	Manager	●		●			●			●
Michael Karnes	Manager	●		●			●			●
Anthony Pabillano	Manager		●							
Shelby Mathers	Manager				●					
Evan Stephan	Manager				●					
Mudra Mohanty	Manager				●					
Hunter Sundbeck	Manager				●					
David Butler	Manager	●		●			●			●
Tracy Schultz	Manager					●				
Jamie Moore	Manager							●	●	
Lauren Futch	Manager							●	●	
Carmen	Supervisor	●		●			●			
Jenn Garret	Supervisor									●

5.5 Technical Approach

The following are sample approaches for multiple relevant project areas. These approaches are representative of our overall methodology — for specific engagements, Weaver will coordinate scope, timelines, milestones and deliverables with each of our clients.

- **1. Sample Approach: a. Operational / Performance Audit**
- **2. Sample Approach: b. Investigative Audit**
- **3. Sample Approach: c. Compliance Audit**
- **4. Sample Approach: d. Information Systems Audits**
- **5. Sample Approach: e. Data Analytics / Continuous Monitoring**
- **6. Sample Approach: f. Risk Assessments and Audit Plan Development**
- **7. Sample Approach: g. Financial Audit**
- **8. Sample Approach: h. Accounting and Financial Services**
- **9. Sample Approach: i. Managerial Audit Services**

We have provided similar consulting and related services to numerous clients within the past five years – including comparable city offices, agencies and component units. For a proejct descriptions of relevant clients, as well as specific references, please see **d) Proposal, 4.4 Vendor Experience** and **Attachment E – Customer Reference Form.**

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1. Sample Approach: a. Operational / Performance Audit

In Focus: Process Improvement

While every engagement will be tailored to meet our client's specific needs and concerns, Weaver's team generally approaches operational improvement work in the following manner.

PHASE 1
ANALYSIS

Work with management to understand the short and long-term goals of the organization

Create a prioritized strategy to align with these goals

Gain and understanding of existing procedures relating to business processes

Document all business processes as they actually occur in their current "as-is" state

PHASE 2
EVALUATION

Provide an integrated, objective and disciplined approach to documenting, evaluating and improving the effectiveness of all identified:

- "To be" business processes
- Sub-processes
- Activities and practices

Determine the plan forward, but short-term and long-term

PHASE 3
IMPLEMENTATION

Prepare an implementation and training plan

Map out the preliminary scope and objectives to move from the "as-is" to the "to-be" processes

Create a permanent repository for both "as-is" and "to be" business processes that can be accessed by all users throughout the organization

Phase 1: Analysis

During this phase, we work with management to evaluate the effectiveness of design of the high-risk processes.

We also gain an understanding of existing procedures and document all high-risk business processes as they occur in their current "as-is" state. Specific tasks performed at this stage include:

- Leading information-gathering sessions to identify and detail all business processes
- Creating an as-is business process template
- Identifying critical business processes to the organization
- Identifying process owners and stakeholders
- Examining and verify policies/procedures in the as-is processes
- Naming and classify processes using a simple, standardized methodology
- Defining process purpose, boundaries, inputs and outputs, entry and exit points
- Determining fraud-related schemes and scenarios
- Benchmarking procedures and controls against expected controls for each process
- Developing clear and concise as-is business process flow illustrations using diagrams and flowcharts customized to the organization (process mapping)
- Identifying opportunities, including a list of weaknesses and/or recommendations for process improvements

Phase 2: Evaluation

At this stage, Weaver provides an integrated, objective and disciplined approach to evaluating and improving the as-is by making recommendations for the "to-be" business processes, sub-process, activities and practices. Our approach includes:

- Identifying key process controls and control gaps
- Identifying project management deficiencies and barriers
- Identifying processes and procedures for standardization
- Eliminating redundancies, bottlenecks, manual or paper-laden procedures
- Evaluating internal control design
- Minimizing dependencies and unnecessary hand-offs
- Increasing reliability of the execution steps
- Identifying areas for automation
- Simplifying work flow
- Eliminating activities that do not add value
- Identifying policy/procedure inconsistencies with business processes
- Identifying fraud exposure and control weaknesses

To accomplish this, we meet with process owners from across the organization and streamline process flows, aligning processes where possible. This work may include changes in process flow, organizational structures, segregation of duties, person-power requirements, job function reassignment, and technology enhancements.

Once this is complete, we write documentation on to-be processes and prepare the process flow charts, activity matrix, risk control matrix. We'll also assess and address segregation of duties across the organization.

Along the way, we clarify needs and propose recommendations for improvement for each specified area and evaluate business function. Priorities are determined and provided utilizing the information collected from the first phase of the engagement.

We also present a comprehensive view of all business processes and recommendations in the form of "Points for Consideration" to determine a course of action. Weaver works with employees throughout the organization to develop recommendations that can be practically implemented and supported by those responsible for carrying out the changes. Our recommendations typically focus on:

- Improving operational and financial internal controls
- Scalability and sustainability of processes
- Efficiency and effectiveness of procedures
- Standardization
- Fraud prevention

Phase 3: Implementation

In the final phase, we prepare an implementation and training plan, mapping out the preliminary scope and objectives to address the as-is and to-be processes.

Operational excellence does not just happen from a written plan that is sent around to stakeholders. As important as it is to make plans, those plans must be implemented to make lasting change that is embraced by stakeholders.

We create a permanent repository for both as-is and to-be business processes that can be accessed by all users throughout the organization. Weaver prioritizes our to-be recommendations to assist with constructing a project plan that will focus on building efficient, sustainable and scalable business processes, relying on automation where possible. We also provide tools for clients to identify personnel responsible for implementing changes and to establish timelines and progress goals.

In Focus: Transforming Workforce and Culture

Weaver starts each engagement with a current-state analysis, evaluating organization design, governance, and management processes.

Once analyzed, we provide organizational design services to develop or to refine department or agency-level structure, functional structure, governance, management processes, decision-making, and/or top team (group organization or individual roles).

ORGANIZATIONAL ANALYSIS

Organizational analyses will include the historical transformation of the client's or a department's organizational structure, the rationale for the changes, and the consideration of organizational principles in the development or modification of organizational charts.

Organizational analyses will consider the logical alignment of functions, spans of control, organizational levelling, and definition of job requirements relative to the job description. Organizational analyses may also include the development of a migration plan to successfully implement organizational change based on the client's timetable.

EVALUATE ORGANIZATIONAL STRUCTURE AND PERSONNEL

Weaver can provide an integrated, objective and disciplined evaluation of each administrative and operational unit's organization, structure and people.

We'll meet with key personnel in each unit to obtain a thorough understanding of their mission, objectives, key roles and responsibilities. In addition, we can evaluate centralized core business processes and decentralized unit processes to determine which procedures are performed, along with controls to ensure consistent and appropriate processes. Throughout the evaluation, we'll identify and document controls and process gaps.

Weaver will review existing documentation (such as policies, procedures and flowcharts) to determine whether they contain sufficient detail and guidance for employees to execute the tasks and duties of their job function, which could ultimately affect the performance of each administrative and operational unit. At a high level, key objectives of the evaluation may include:

- Identifying key processes, controls and control gaps
- Identifying the impact of HR employment and compensation policies on each unit
- Identifying processes and procedure redundancies
- Identifying dependencies and unnecessary hand-offs

MANAGEMENT PERFORMANCE AND ACCOUNTABILITY

Separate from performance audits of selected areas, there should be structures in place to effectively manage and monitor the performance of any program, project, or initiative.

The analyses of management performance and accountability will include the review and analysis of plans, performance objectives, reporting, progress monitoring, and internal assessments of results.

How decisions are made, and how they might affect program implementation fidelity or program success, may also be analyzed and evaluated, as well as any constraints that may be preventing or adversely affecting the successful implementation of client initiatives.

Once this process is complete, we provide recommendations to improve organizational health based on findings from our diagnostic tools and templates. These recommendations help the subject organization's leadership drive cultural change and align the organization to execute on its mission while adapting to new challenges.

We understand that the RFP defines organizational health as *an organization's ability to align, execute, and renew itself to sustain exceptional performance over time*. **It's about driving excellence over the long run**, rather than arriving at lowest cost or simplest processes.

Our systems and consulting are focused on a practical approach to digital transformation. This means that we specifically focus on creating long-term, sustainable solutions that reduce or eliminate the need for paper, utilize energy-efficient video displays and ensure that employees and stakeholders can work with the system from their location of choice. This approach reduces the need to drive to offices and supports the increasing trends toward a remote and hybrid workforce.

With the ability to see data at highly refined levels, new opportunities will arise to improve sustainability, enhance energy efficiency and reduce the participating entity's carbon footprint. Our team is eager to meet with those working on these issues to talk about how data gathering, analysis and display can support design and measurement of new programs, including how data can be used to compare various program trials.

WORKFORCE ASSESSMENTS AND HUMAN CAPITAL CONSULTING SERVICES

Weaver provides human capital consulting services to develop or refine talent management, workforce strategy and planning — including developing actionable and segmented insights into talent strategy — defining a department of agency-level talent agenda to support each organization's mission and shape talent practices to achieve defined strategic objectives.

In so doing, we build excellence into the human resource function to drive strategic people initiatives while improving the cost, quality and speed of key services such as recruiting, training and administration.

When appropriate, we apply maturity modelling to move an organization toward its aspirational goals, assessing the current state of workforce planning and working together to identify the needed actions to meet strategic goals and objectives.

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Our custom model assesses five critical components of workforce planning, informed by specific attributes across a maturity continuum, from ad hoc to strategic:

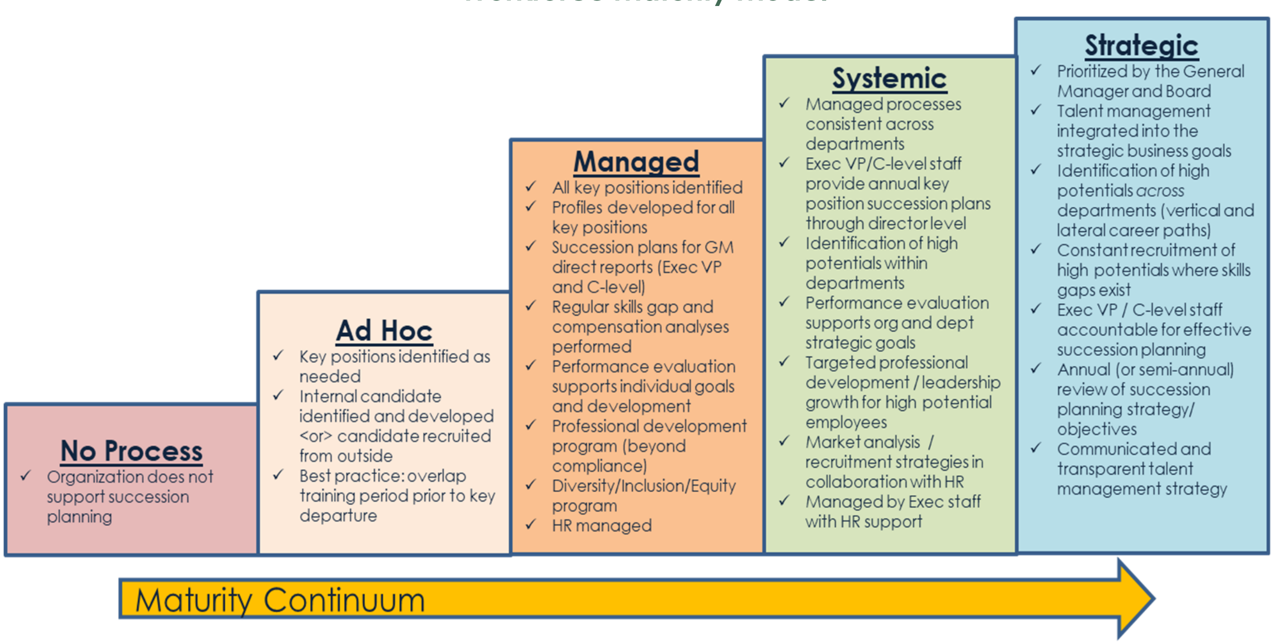
1. **Talent Identification and Acquisition:** Does the organization identify, recruit, and hire the people it needs to be successful?
2. **Advancement and Retention:** Do employees have opportunities for advancement and do your high performers stay with the organization?
3. **Knowledge and Skills Development:** Are people getting better at their jobs and acquiring new skills?
4. **Performance Evaluation:** Do you have an accurate read on how each person contributes to your success?
5. **Leadership Cultivation:** Do you identify and nurture your people that have the potential to take on greater responsibilities?

This framework enables an organization to identify the current level of maturity across each of the five components.

Assessing the current state of maturity of workforce planning leads to a discussion of "aspirational maturity" — where does the organization want to be on the maturity scale? And according to what timeline?

These components influence the entire HR management lifecycle, from pre-employment to onboarding, training and development. If these five components were optimized and aligned, an organization would have a framework to hire and retain the right people, with the right skills, at the right time and place — for any vacancy.

Workforce Maturity Model



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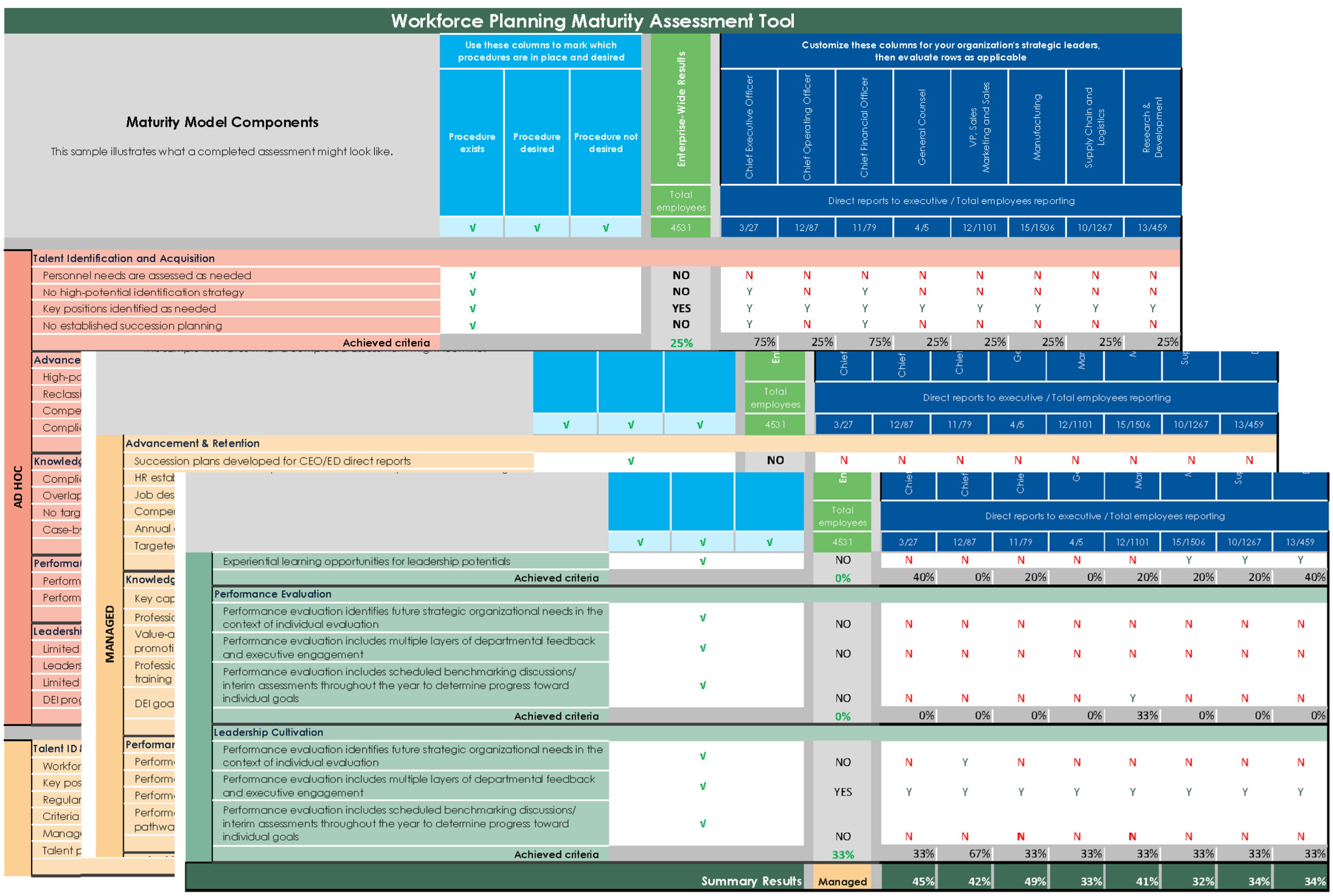
Workforce Maturity in Action

One example of an organizational improvement project is a workforce assessment, in which Weaver compares an agency’s existing organizational structure and staff capabilities to its current needs.

We identify gaps where more, or different, skillsets are required and positions or functions that are no longer needed. Reports include a Knowledge and Skills Assessment (KSA), both current and recommended organizational structures, and a detailed workforce assessment matrix looking not only at the current state but at questions such as, “Is our succession planning adequate?” and “Is the training program appropriate to current workforce needs?”

For example, for one large government entity, the Weaver team developed a customized workplace assessment maturity model, allowing our team to work collaboratively with management toward strategic goals across a range of disciplines.



What is a KSA?

A KSA documents the knowledge, skills and abilities of employees in the organization in the context of the job to which they are assigned. A KSA is also applied to the collective needs of the organization.

Effective organizations put the **right people**, in the **right seats**, moving in the **right direction**. The best organizations align personnel with the **most talent** to perform the **most critical functions**.

Determining your collective KSA requires asking fundamental questions about an organization:

- Human resource's function
- Talent and proficiency
- Organization and deployment

Human Resource Questions

- Does a job description exist for each position? Is it accurate?
- Do the responsibilities assigned to the position meet the current needs of the organization?
- Have those responsibilities been communicated to the employee?
- Has the employee's performance been evaluated?
- Do employee evaluations provide useful information?

Talent and Proficiency Questions

- What degrees, certifications and training are required for the position (**knowledge**)?
- What are the different aspects of the job and how proficient is the employee at those aspects (**skills**)?
- How well does the employee perform the job relative to others (**ability**)?
- What continuing professional education and training has the employee completed?

Organizational Questions

- How are positions compensated?
- How does that compare to the market?
- How many vacancies exist across the organization?
- Is there a pattern to the vacancies?

Please see the following page for a sample KSA matrix.

After assessing KSA, the results are put into a matrix, creating a visual map of where talent gaps exist.

Procurement Department Operational Review
Knowledge Skills Assessment Matrix

Legend	
✓	Satisfactory
N	Not Satisfactory
P	Partially Satisfactory
	Not Applicable

Professional Procurement Knowledge Skills and Abilities Matrix													Procurement Services Department					Knowledge Skills Assessment	
PO/Requisition	RFQ/RFP Specs/Scope	RFQ/RFP Bid Evaluation	Vendor Management	Oracle iProcurement	EDGAR	Contract Development	Contract Administration/Terms	E-Rate	MWBE	Interlocal/Coop Agreements	Training	Previous ISD Experience?	Staff	Title	TASBO Certification	Company Longevity Status	Current Assignment Longevity	Meets Job Requirements?	Meets Preferred Requirements?
✓	✓	✓	✓	P	✓	✓	✓	✓	✓	✓	✓	✓	Staff Member	Executive Director	-	0 yrs	0 yrs	✓	✓
													VACANT	Director of Operations					
													VACANT	Director of E-Rate and Administration					
													VACANT	Buyer - Technology					
✓		✓	✓	✓	P	✓	P		✓		✓	N	Staff Member	Coordinator E Commerce	CSTBO	24 yrs	3 yrs	✓	N
✓				P					P			N	Staff Member	Coordinator Procurement Information	CTSBS	4 yrs	3 yrs	✓	✓
✓	✓	✓	✓		✓	✓	✓		✓	✓	✓	N	Staff Member	Senior Buyer - Food and Child Nutrition	CTSBS	22 yrs	**13 yrs**	✓	✓
✓	✓	✓	✓		N	✓	N		✓	N	N	N	Staff Member	Senior Buyer - Teaching and Learning	CTSBS	7 yrs	3 yrs	✓	✓
✓	✓	✓	✓		N	✓	N		✓	N	N	N	Staff Member	Senior Buyer - Maintenance and Facility Services	-	2 yrs	2 yrs	✓	N
✓	P	P	✓		N	✓	N	P	P	✓	N	N	Staff Member	Senior Buyer - Technology	CTSBS	4 yrs	1 yr	✓	✓
✓	✓	✓	P		P	✓	✓	P	✓	✓	✓	N	Staff Member	Senior Contract Specialist	-	3 yrs	3 yrs	✓	N
✓	P	N	N			✓	P					N	Staff Member	Buyer - Teaching and Learning	CTSBS	5 yrs	**4 yrs**	✓	N
✓	N	N	N			N	N					N	Staff Member	Buyer - Maintenance and Facility Services	CTSBS	5 yrs	**5 yrs**	✓	N
✓	N	N	N			✓	P					N	Staff Member	Buyer - Maintenance and Facility Services	-	3 yrs	2 yrs	✓	N
✓	N	N	N			N	N					N	Staff Member	Buyer - Technology	CTSBS	7 yrs	**7 yrs**	✓	N
✓	N	N	N			N	N					N	Staff Member	Interim Buyer - Contracted Services	-	0 yr	0 yrs	✓	✓
✓	P			P								N	VACANT	E Commerce Specialist	-	2 yrs	1 yr	P	N
✓	N	N	N			N	N					N	Staff Member	Buyer Teaching - Learning	-	2 yrs	0 yrs	✓	N
✓	N	N	N			N	N					N	Staff Member	Assistant Buyer	-	1 yr	1 yr	N	N
✓			P					✓			✓	N	Staff Member	Specialist ERATE	-	3 yrs	3 yrs	✓	✓
✓						N	N	N				N	Staff Member	Purchasing Specialist	CTSBS	3 yrs	1 yr	✓	✓
✓				P		P		P				N	Staff Member	ERATE Assistant	-	0 yrs	0 yr	✓	✓

FROM ASSESSMENT TO LASTING CHANGE

As we round the bend toward implementation, we continue to support the organization, workforce, talent and culture strategies and transformation to radically improve satisfaction, quality, effectiveness, and efficiency of your team.

In fact, we work in this regard at Weaver. It's at the base of our ethics firm-wide. While our business is based in numbers, our success is truly based on people.

We carry these values forward in every client engagement. As we implement workforce transformation for any of your agencies, we remain focused on solving that organization's specific challenges, helping it fulfill its mission, and supporting its desired culture and values.

REPORTING

Based on our mutual understanding of the method for communicating the results of our work, we'll prepare a formal report with final findings and recommendations, including the assignment of priority.

Before we deliver our final report, we'll present an initial draft report to management and meet with the appropriate client and department leadership to discuss findings and recommendations in the draft report. This meeting will be an opportunity to validate information contained in the project, to receive input from the client, and to evaluate any additional relevant information.

A final draft report will be presented to and reviewed with the client. We'll support each finding and recommendation with the information reviewed, and best practices, where applicable, and provide presentations of our reports to the entire board during a regular board meeting, if requested.

In Focus: Construction Audit

Weaver has served the construction industry for more than 50 years. We provide professional services to over 100 contracting companies, from residential builders to heavy road construction. In addition, we have provided construction monitoring and auditing for numerous governmental and education clients.

Our Construction Industry Services practice includes **Certified Construction Industry Financial Professionals®** on staff — a designation few CPA firms are able to offer in their qualifications. Our staff also includes additional CPAs, Certified Internal Auditors (CIA) and Certified Fraud Examiners (CFE) who can be called on as needed for specific projects.

Our construction audit experience involves construction manager at risk and design-build projects with construction costs of up to $700 million, and has included construction contract audits focused on the financial data, as well as construction management/process audits that encompass not only contracted versus invoiced costs but also examine the client's construction management processes.

Active Participation in Industry Organizations

Weaver actively participates in the following construction organizations:

- Construction Financial Management Association (CFMA)
- Associated General Contractors (AGC)
- Associated Builders and Contractors (ABC)

By keeping pace with changes in the industry, Weaver has the knowledge and insight needed to identify potential cost-saving items.

This, combined with our industry participation, years of service to construction clients and proven methodology, means we understand the management processes over all phases of construction — from the initial bid phase to the contract terms and conditions, to the job cost reports supporting expenditures incurred on the project, to the computation of revenues earned.

In general, our construction audit experience has included two major types of audits:

- **CONSTRUCTION CONTRACT AUDITS** focused on construction billings, vendor compliance and cost validation
- **CONSTRUCTION MANAGEMENT/PROCESS AUDITS** that encompass not only contracted versus invoiced costs but also examine the client's construction management processes, including the internal controls for construction procurement and contract management

Sample Engagement: Construction Audit

The following is a sample engagement plan for a construction audit that includes both preventative consulting as well as contract compliance.

Phase 1: Planning

The first step in any Weaver engagement is to confirm the project scope and develop a mutually-agreeable schedule, including the timing of our procedure and deliverable dates.

During this stage of the engagement, we will meet with management to confirm objectives and timing. In this phase, we identify, at a high level, project and budget management procedures, for both the preventive consulting project as well the contract compliance project.

Your engagement partner will be hands-on from the start, scheduling regular meetings to ensure engagement goals are understood, identify any operational issues observed during the engagement and learn about changes in your forward-looking strategies.

As part of the contract compliance engagement, we will also draft letters to send notifying the contractors of the audit procedures. These letters will include the initial document request lists from our audit team and provide contact information for our team leadership.

Depending on the current progress of active construction projects, we would plan to perform either:

1. **A one-time audit of the project**, which would be appropriate for projects near completion, or
2. **A continuous audit of the project**, which can be a better approach for projects at earlier stages; we can audit each pay application as it's submitted so that errors and issues are identified and corrections made before a project ends

Next, we will develop a schedule and plan to perform our audit procedures. This schedule would include a review of processes and internal controls, as well as the plan for the audits of active construction projects. This project plan serves as a communication and progress-monitoring tool and helps facilitate a smooth engagement flow.

In developing our plan, we will schedule fieldwork at times that will **minimize the impact on your operations** while ensuring the completion of the project objectives.

Phase 2: Fieldwork

Weaver will audit our client's internal controls (preventive consulting service) as well as costs and compliance for specific construction projects (contract compliance services).

For our **Preventive Consulting**, key procedures and activities during fieldwork will include:

- Evaluate project internal controls
  - Determine if controls over monitoring project design are designed and implemented effectively
  - Identify controls for monitoring project progress for quality and timeliness of work
  - Determine if appropriate documentation is maintained by contractors and project managers
- Evaluate construction contract provisions and compliance and identify recommendations for improvement of:
  - Inclusion of a right-to-audit clause
  - Articulation of general conditions, general requirements and construction management Fees
  - Clarification of allowable and unallowable costs
  - Overlap of general conditions and general requirements
  - Changes of scope
  - Controls on self-performed work and pass-through expenses
  - Processes for pricing, approving change orders, contingency account budgets, owner allowances, contractor allowances, and management of credits
- Evaluate financial monitoring controls
  - Identify controls for monitoring project budget to actual
  - Determine if appropriate approval processes are in place for change orders and allowances
  - Evaluate controls for monitoring retainage and release of retainage to contractors and subcontractors

Weaver's engagement philosophy is built on a "no-surprises" approach. We stay connected and communicate with you from day one. To prevent surprises or miscommunications, Weaver strives for straightforward, honest dialogue from the first planning meeting to the final presentation.

For our **Contract Compliance**, key procedures and activities during fieldwork will include:

- Monitor and track project expenditures
  - Monitor payments for compliance with contractual terms and policy and procedures (insurance coverage, bonds, etc.)
  - Assist project managers in tracking and confirming contingency status, allowances, buyout savings, and identified cost recoveries
- Validating appropriate general conditions payments as part of the monthly application for payment process
  - Review billings for compliance with terms of contract agreement
  - Review and confirm appropriate support for all General Conditions and reimbursable payments
  - Review of contractor records to ensure subcontractor and purchase order amounts align with approved schedule of values
  - Review of contractor job cost detail to ensure that any refunds issued to contractor are passed back to our client in a timely manner

- Provide analysis and review of allowances, contingencies, and change orders
  - Verification of appropriate markup per contract agreement
  - Mapping of the use of allowances, contingencies and change orders to budgeted amounts
  - Verification of final project budget

We will also provide other special reviews or limited scope audits of contractor, subcontractor, or consultant estimates/budgets and/or costs as deemed necessary and at the request of our client.

Our services are only as valuable as they are helpful to each of our clients. In keeping with this core tenet, a measure of this engagement's success is **our ability to transfer knowledge to client personnel.** We'll provide insight throughout the engagement, so that you have the tools your need to support process changes over the long term.

Phase 3: Reporting

Weaver will provide written reports of activities and results of both the Preventive Consulting and the Contract Compliance audit procedures.

These reports will include:

- Identification of our client's design and effectiveness of internal controls for construction project management
- Recommendations for improving internal controls
- Results and recommendations from our analysis of construction contract template
- Summary of audited costs and any identified project cost adjustments
- Other contract compliance issues identified in contract compliance audits

Our team will also be available to attend meetings at our client's request, including, but not limited to:

- Meetings to resolve issues and payment concerns with contractor, subcontractor, design professional or consultant
- Regular status meetings with administrators
- Finance and Audit Committee meetings, as well as Board meetings, if appropriate

We will also continue to be available for questions and communication after the reports have been issued. We don't simply disappear once our work is done: **We want to develop a partnership that is long-term and mutually beneficial.**

2. Sample Approach: b. Investigative Audit

Typically, investigative audits can be broken down into three phases:

Phase 1: Plan & Scope

We'll begin work with a review the specific allegation to gain an understanding of the issues and to formulate a preliminary work plan for the investigation.

Next, we'll hold a meeting with management and other key stakeholders. The objective of the initial meeting will be to discuss the scope of work, our proposed work plan and approach, as well as address your questions, concerns and preliminary expectations.

This initial meeting will also address the availability and type of information and documents needed to execute the project. We'll also discuss how to obtain any detailed information on relevant financial items that have already been identified.

The goal of this phase is to **narrow our focus** so that the detailed investigation in Phase 2 is as **efficient as possible**. This approach provides targeted results and **minimizes unnecessary costs and time.**

At the conclusion of Phase 1, we'll provide our updated investigative work plan based on information gathered during initial discussions with management. This work plan will include our estimated fees to complete the investigation, as well as a timeline for completion.

Phase 2: Investigate & Analyze

Phase 2 will involve executing the work plan defined during Phase 1, based on the scope of work discussed with you. During Phase Two, our team will:

- Obtain, review and analyze relevant financial documents (e.g., invoices, contracts, purchase orders, credit card statements)
- Obtain, review and analyze electronic data including electronic financial reports (e.g., check register, general ledger, Level 2 and Level 3 procurement card reports)
- Perform digital forensics to identify and analyze relevant electronic data (e.g., email communications, messaging applications, relevant files saved on shared servers, etc.)
- Conduct witness and subject interviews with relevant parties

Throughout our investigation, we'll stay in communication with you. Our goal is to keep you informed of potential developments to prevent surprises. We anticipate providing regular status updates either in person or by teleconference, whichever you prefer.

As part of the status updates, we'll share information about the work performed to date, any preliminary observations or findings, and remaining work to be completed.

Identification of Potential Fraud, Waste or Abuse

By employing sophisticated data analytics, our team can examine 100% of transactions in selected accounts, transaction types or time periods.

Forensic accounting techniques can detect patterns commonly associated with fraud. Our experienced investigators can then conduct a deep dive through business records and conduct witness interviews associated with any flagged transactions, vendors or contracts to determine whether funds were misused.

Not all misuse of funds is fraud, which requires intent. Our team members have the experience and the skill necessary to interview staff, review email data and trace the creation of vendors (for example), to **distinguish between unintentional errors or inadequate training and deliberate bad acts and potential fraud**.

As stated above, we'll keep you informed of our findings throughout the engagement and to the extent possible, without endangering the investigation as it progresses. Our final report will contain all of the detail you'll need to make improvements, take personnel actions, or pursue legal action, if and as warranted.

Accounting Data Analytics

Our analytics tools can analyze 100 percent of selected data in the areas of journal entries, payroll and disbursements. We identify potential risk areas that may require further investigation.

During prior engagements, we have identified items such as bid splitting and nepotism, as well as opportunities to improve efficiencies in the disbursement process. Examples of key findings from other data analyses performed by our Analytics team include:

- Duplicate vendors in the master vendor file
- Duplicate invoice payments
- Payroll checks paid to former employees
- Employee addresses that match vendor addresses
- "Ghost" employees and vendors
- Unusual overtime patterns

By adding fraud detection and operational compliance, as well as computer data acquisition and analysis, our team can provide insights on the best ways to improve the efficiency and effectiveness of your processes.

Digital Forensic Investigation

Our team includes professionals with specific experience in recovering digital evidence, including data that someone attempted to delete.

From initial acquisition of the evidence to evidence-handling protocols to evidence processing, examination and reporting, we work with our clients and their counsel on some of their most sensitive issues. Our digital forensic technology provides context and perspective to any investigation that traditional paper records alone can't always fulfill.

Review of Internal Processes and Procedures

The nature of forensic investigations requires a thorough review of internal policies, processes and procedures.

Throughout the course of an investigation, it's not uncommon to find processes and procedures that need to be revised. We'll identify these during the engagement.

Our extensive experience working with government and higher education entities has also given us insight into **what policies and safeguards are the most effective at preventing, identifying and remediating fraud, waste and abuse**.

Phase Three: Document & Report

At the end of the investigation, our team will provide a comprehensive investigative report, including thorough documentation of our findings and recommendations for preventing future losses. Our report will include the following information:

- The background and scope of the engagement
- Detailed descriptions of work performed for each scope of work
- A summary of observations and findings for each scope of work
- Evidentiary exhibits for relevant source documents in support of observations and findings
- Recommendations for improving policies, procedures and internal controls
- Recommendations for remedial personnel action, if appropriate
- Recommendations for referral for criminal prosecution, if needed

Our findings will support any appropriate administrative or legal proceedings. We'll also provide any necessary expert testimony.

Our professionals are CPAs, CFFs, CFEs, CIAs, MAFFs, CFAs, JDs, PIs, Ph.D.'s and ASAs, and we understand the importance of independence, confidentiality, thoroughness and accuracy in the work that we perform. Our professionals' work has been accepted and relied upon by numerous regulators, state and federal agencies, law enforcement, and judges and juries around the country.

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3. Sample Approach: c. Compliance Audit

In Focus: Compliance and Contract Audit

Our reviews will typically be performed in accordance with auditing standards issued by the AICPA, auditing standards included in Standards for Audit of Government Organizations, Programs, Activities and Functions issued by the United States General Accounting Office and in other pronouncements having similar generally recognized authority.

Weaver understands that most clients use many vendors for services, and that prioritizing which vendors are reviewed can be a challenge. The following key tasks, including performing a risk assessment of vendors to audit, are provided to highlight the typical procedures performed.

Phase 1: Risk Assessment

Weaver's risk assessment model provides a clear, consistent methodology to risk-rate the vendors by contract type, amount, utilization and performance evaluation results.

It incorporates tools and worksheets that allow us to document and analyze the probability and impact of the risks, as well as key indicators for potential fraud, waste and abuse.

The risk assessment includes the evaluation of the vendor's maturity and ability to comply with the contract requirements. The concentration of funding awarded to the vendor, as well as project type, will also be factored in, along with the results of any prior monitoring procedures and feedback from management, to assess the overall risk.

Initial Risk Assessment

In an effort to maintain the highest degree of efficiency and cost effectiveness, we'll perform a high-level risk rating for each of the in-scope contractors, classifying each as low, moderate, or high risk based key factors such as the size of the contract, the expected complexity of the organization and/or any prior experience and/or findings identified with the vendor.

You may elect to assign to Weaver those contractors which are new, have a history of erroneous reporting or have complex operating environments in order to leverage our resources and knowledge of internal controls, contract requirements, and state and federal regulations to their highest and best use.

Phase 2: Monitoring Plan

Prioritizing areas and tasks based on the results of the risk assessment and compliance requirements, Weaver will develop a customized vendor monitoring plan that meets your needs.

The plan will facilitate efficient monitoring and provide a consistent tracking mechanism over the life of the contract. At a minimum, the plan will detail the frequency of reviews, procedures to be applied, estimated timing for procedures to be conducted and reporting intervals. Key activities typically addressed in the plan include:

- Budget monitoring
- Project site inspections
- Verification of progress and completion of projects and tasks
- Evaluation of achieving projected project timelines, milestones, and causes for project delays
- Subrecipient compliance reviews

Phase 3: Desk Reviews and Monitoring

First, we'll provide contractors with a written scope in letter form specifying the documents and items needed for a review prior to the review, and then schedule and conduct an on-site entrance conference for the review with vendor stakeholders.

Desk reviews will be conducted for lower-risk vendors. These reviews are completed remotely via combination of phone, mail and email, but include the same procedures as if we were doing an on-site visit, such as entrance and exit meetings, interviews and so forth.

Desk and field reviews will be performed according to monitoring plan. The list of vendors and contracts to be reviewed will be confirmed with management prior to executing the plan as designed. Once the number of site visits has been determined, Weaver will develop a site visit schedule that takes into account not only risk level (with the highest-risk vendors being visited first), but also location.

Compliance monitoring procedures will include: interviews, evaluations of procedures and processes, and tests of transactions against documentation for each subrecipient to validate the amounts requested for reimbursement to ensure they were accurate, complete and eligible.

ANALYZING COMPLEX DATA SETS
Calling upon the assistance of Weaver Analytics as needed, our team uses specialized tools and techniques to successfully and efficiently analyze extremely large data sets. For example, we can perform population reviews of an entire set of payments.

This approach, which looks at 100% of payments, allows us to identify duplicate payments as well as duplicate service contracts and other forms of fraud, waste and abuse.

This distinguishes Weaver's approach from more common, sampling-based audit approaches.

Testing will include reviews of performance and financial information along with validation of project completion, site inspections, budget monitoring, and required contract compliance areas.

The types of procedures and level of effort required for each review may vary based on the previously performed vendor risk assessment. During the plan development phase, we'll work with client management and contractors to determine the appropriate level of procedures required for each subrecipient. Where deficiencies or opportunities for improvement are identified, we'll also provide assistance to vendors, as needed, to remediate the issues and become compliant for future assessments.

Phase 4: Entry and Exit Conferences

Once the timing of review has been confirmed, we'll schedule an onsite entrance conference including representatives from our client, the vendor, and contractor, as applicable.

During this conference, we'll discuss the scope and objectives and address questions or concerns any of the parties may have. We'll also discuss any outstanding document requests. Then, at the end of the review, we'll schedule an exit conference including representatives from our client, the vendor, and contractor, as applicable, to communicate and validate our findings.

Phase 5: Reporting

Once the exit conference has been conducted, we'll compile the results of our audit procedures and draft a report of preliminary findings for our client's review.

The report will include a detailed scope and objective specifying the vendor/contractor, contract number, contract period and period under review as well as present the procedures performed, observations and/or findings, recommendations for improvement for reach major areas outlined above as well as an overall conclusion. All backup files supporting the results of our procedures will be maintained and provided to our client upon request.

We exercise a high degree of due diligence to ensure that the most accurate information is provided. This may include reviewing our findings with the vendors and/or contractors. Before issuing the final report, Weaver will have resolved any differences of approach or opinion. We've found this level of review and due diligence helps ensure our report contains findings and recommendations that are actionable, acceptable and accurate from the perspective of subrecipients, vendors, contractors and our clients alike.

As Needed: Additional Technical Assistance

Upon request, Weaver's team will provide technical assistance on deficiency areas identified through compliance audits.

Key areas of assistance may include:

- **Implementation of Recommendations**. Weaver can assist with the implementation of recommendations, to include meeting with process owners, discussing management actions plans and establishing reasonable timeframes for implementation.

  We can also work with our client, vendor, and/or contractor management on the remediation of control gaps to ensure responsiveness and timely implementation that addresses risks in the order of significance.

- **Investigation/Escalation of Fraud, Waste and Abuse Issues.** Weaver's internal Forensics and Investigation Services team has developed comprehensive, proven protocols for initiating investigations of potential fraud, waste or abuse. Leveraging senior advisors, we're also able to effectively escalate any identified issues.
- **Training and Education.** Knowledge is the best way to ensure accurate and timely reporting, appropriate use and classification of funds, and ongoing prevention of fraud, waste and abuse. Therefore, effective training and education — for both internal staff and contractors/vendors—are foundational for any comprehensive compliance program.

  Ultimately, the best solutions lie in people — whether inside or outside our client's organization — acting within the best interest of the funds, ethically and responding correctly when they see evidence of potential wrongdoing. To that end, Weaver can develop training in three broad subject areas:

  - Internal compliance monitoring (for client employees)
  - External compliance monitoring (for vendors and contractors)
  - Ethical standards (for client employees, vendors and/or contractors)

In Focus: Grant Compliance Monitoring and Consulting

Our typical grant compliance monitoring approach consists of five phases:

Phase 1: Planning and Discovery

During this phase, we lay the foundation for the engagement, working with our client to establish the scope and develop mutually agreeable schedules and staffing assignments.

We'll examine and understand the grant-related project activity that has occurred since the last project, meet with management and to determine project status, identify key areas of risk within active and recently closed projects, and inquire about any known concerns or deficiencies associated grant-related projects or processes. We also review prior audit programs and results, as applicable.

To determine the appropriate coverage and procedures for each project, we perform a project-level risk assessment to identify the critical failure points, focus points, and key controls in place. We'll also consider the key attributes of compliance for projects that are active and closed during the audit period. This process includes understanding and examining contracts, policies, and procedures, application reviews, etc.

Where possible, our team will look for opportunities to combine any related project areas to increase the efficiency of the engagement. Based on the information gathered, we'll develop the detailed engagement program. While engagement programs differ based on factors such as scope, nature of the program and objectives, common procedures for a grant compliance engagement will include:

- Identifying the key attributes of each project, including financial data and milestones
- Developing and sending audit notification letters to contractors or subcontractors, as required
- Develop and obtain project relevant documents and data
- Review applicable policies and procedures

We'll also identify and document the specific criteria from sources that will impact the in-scope areas and testing procedures for the engagement, including federal, state and/or other grant compliance and documentation (such as Housing and Community Development Act of 1974, HUD requirements, etc.)

Based on the information obtained and reviewed, we'll revise the draft audit program as needed to ensure it is sufficiently tailored to achieve the audit objectives.

Phase 2: Project Level Risk Assessment

As part of the planning and discovery phase, we will perform a project-level risk assessment to identify and confirm the key attributes for each project that we will examine with management.

The risk assessment will focus on the grants and the use of those awards across the various projects deployed. The focus of the risk assessment for the particular project will consider the following:

- Type of project, including use
- Complexity of the project
- Stage of completion or delivery
- Amount of funds, met and unmet
- Key criteria that affects eligibility and allowableness
- Use of vendors, including subcontractors
- Reporting requirements

At the conclusion of our planning procedures, we'll issue a written scope and objectives for the engagement, which describes the results of our planning procedures and areas of focus for the engagement.

Phase 3: Entry and Exit Conferences

Prior to starting an engagement, we'll coordinate the timing and location of fieldwork with our client and any contractor or subrecipients.

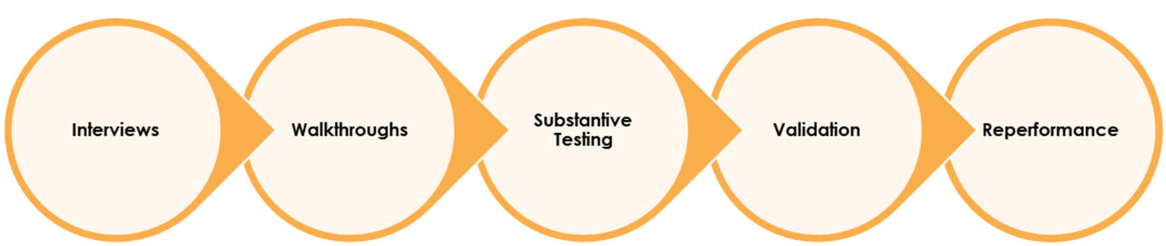
If applicable, three weeks prior to the start of fieldwork, we'll provide contractors or subrecipients with a letter detailing the scope and objective of the review as well as outlines all the documentation needed for review if it's not housed by our client.

Once the timing of review has been confirmed, we'll schedule an entrance conference including representatives from our client, including the contractors or sub recipient, if applicable. During this conference, we'll discuss the scope and objectives and address questions or concerns. We'll also discuss any outstanding document requests. Then, at the end of the review, we'll schedule an exit conference including representatives from our client, including the contractors or sub recipient, if applicable, to communicate and validate our findings.

Phase 4: Fieldwork

During this phase, Weaver will execute the engagement program procedures and testing for the project(s) identified.

At a high level, our approach consists of the following procedures:



Additional procedures may include:

- Evaluating and testing of internal controls for the managing of projects to ensure they are designed and operating effectively according to state policies, procedures and federal and state regulations (or other authoritative criteria)
- Observing processes and procedures
- Testing relevant controls, contract requirements, distribution of funds, and procedures for compliance
- Reviewing relevant documentation
- Confirming the accuracy of data reported
- Ensuring accuracy of information provided by applicants
- Identification of the duplication of benefits
- Evaluating compliance with state and federal statutes and regulations and contract requirements according to grant funding sources

The engagements will also evaluate controls and processes performed for potential fraud, waste, and abuse. Areas of concern will be brought to the attention of management for further action. Based on the information gathered during our fieldwork, the team will identify preliminary findings and validate them with the respective process owners. After validating the findings, we'll conduct an exit conference to communicate our preliminary results.

Phase 5: Reporting

Prior to inclusion in any reports, Weaver will review and confirm potential findings with management and key stakeholders.

We'll work with process owners and management to provide accurate and timely recommendations and to remediate findings identified.

After review of the findings, we'll prepare a compliance audit report that includes all results from our process as well as recommendations for each reportable issue. Recommendations will include suggested guidelines to ensure compliance with regulatory and industry requirements, process safeguards to protect assets, checklists to help streamline processes, and procedures or automated controls to improve the reliability, efficiency and transparency of processes and procedures from beginning to end.

After performing complete quality control reviews of deliverables, our team will deliver the draft reports to the process owner(s) and management for review. We'll review and consider any feedback and responses to findings received regarding the draft reports, and issue the final report.

USING DATA TO DETECT ERROR AND FRAUD

Weaver Analytics is an internal data analytics team that uses advanced computerized data-analysis techniques to uncover irregularities that could indicate fraud, persistent or systematic errors and internal control weaknesses. We can also design continuous monitoring strategies to help you maintain vigilance over the long term.

Using tools such as ACL or IDEA, Weaver can analyze large volumes of data to identify potential risk areas that may require further investigation.

By adding fraud detection and operational compliance, as well as computer data acquisition and analysis, Weaver can provide insights on the best ways to improve efficiency and effectiveness of your processes.

The final layout and content of the reports is flexible, depending on our client's specific needs; however, reports typically include:

- Project-specific report
- Project-specific follow-up reports
- Notice and delivery of completed audits to all state oversight bodies, as applicable
- Periodic reports to management, as applicable

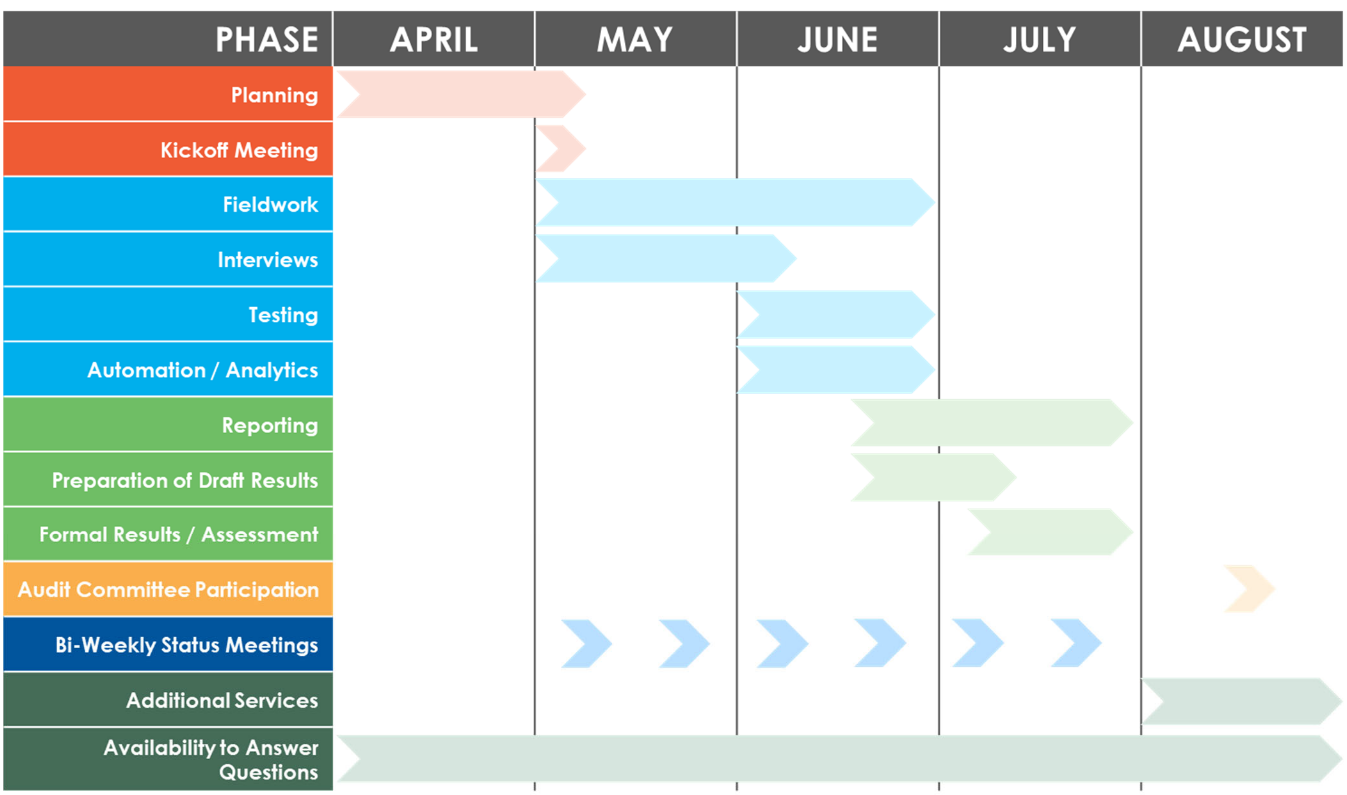
4. Sample Approach: d. Information Systems Audits

Our Information Systems engagements typically follow a three-phase structure, as needed for varying participants.

Phase 1: Planning

First, we perform planning procedures to ensure we develop the appropriate scope and objectives that align with management focus areas.

We also ensure that appropriate criteria is developed. Based on the nature and duration of the engagement, we may establish a more detailed project plan with the engagement assumptions (see example below). We also determine the frequency of status meetings; we typically hold either weekly or bi-weekly status meetings based on the nature and duration of the project. The status meetings include status of evidence requests, testing, preliminary issues, and any significant items for discussion based on our procedures.



Phase 2: Fieldwork

We meet with appropriate personnel to inquire regarding processes and obtain evidence to evaluate processes and controls.

We confirm our results, discuss risk considerations when relevant, and document our procedures and results.

Phase 3: Reporting

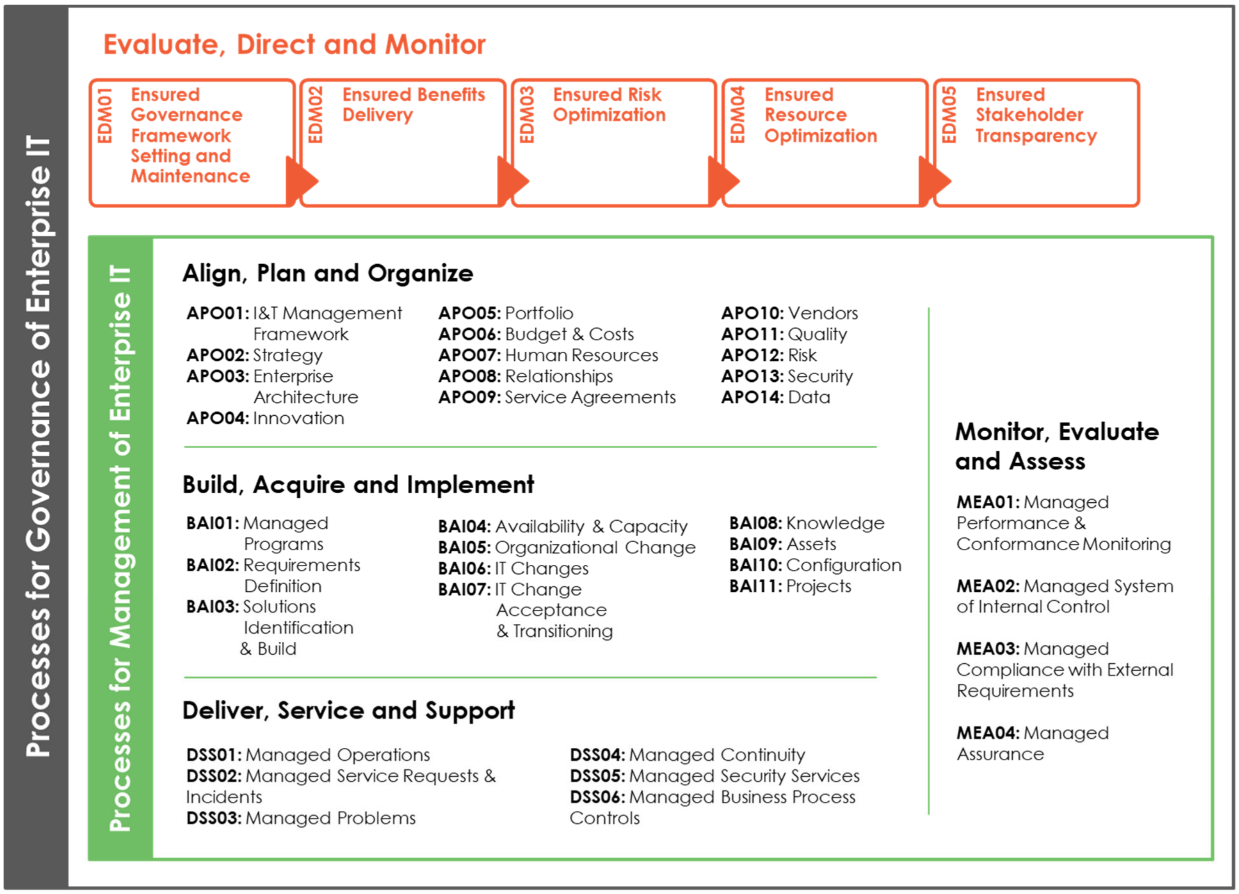
During reporting, we'll formally discuss our results with management/auditee in an end of fieldwork meeting, and then also conduct an exit meeting with management and executive leadership and other relevant stakeholders.

We'll provide management the opportunity to provide management action plans and planned implementation date, which will be incorporated into the audit report. We provide a copy of the draft report for review prior to finalization.

In Focus: IT Risk Management

When evaluating IT risks and controls, Weaver typically leverages the COBIT (v2019) framework for delivery of IT audit services.

COBIT is one of the most widely adopted frameworks for IT governance, risk management and IT auditing, and is the most frequently used framework for evaluation of IT General Controls (ITGCs).



Along with COBIT, we review existing policies, state/federal regulations/policies that may be applicable (such as North Carolina Statewide Information Security Manual). We also identify any subject matter specific materials that may be relevant, whether NIST Contingency Planning Guide for Disaster Recovery, or IIA's Global Technology Audit Guides (GTAGs), among other sources for criteria development.

Throughout the course of each project, our professionals evaluate the risks associated with each relevant process area to the appropriate layers of information technology (key applications, infrastructure, and data).

When performing IT Risk Assessments in support of the internal audit function or for IT department, we start with the COBIT 2019 areas and adapt the assessment for relevant considerations – whether it is newer technologies like artificial intelligence or robotics process automation or migration of key systems/functionality to the cloud. Our tailored approach means that we will factor in how the entity utilizes technology.

In Focus: IT General Controls Review

Your Weaver team is keenly aware of the complexities and nuances involved in managing IT investments. As the foundation of our procedures, we can evaluate design and controls in the context of how our client operates and consider the structure, systems, third parties and tools available.

Focusing on the compliance obligations and key technology risks that impact our client, we leverage best practices to guide our conclusions and recommendations.

Our assessment considers the current state of technology, with a focus on assisting our client in validating the existence of or need for the following components of a mature IT control:

- A robust and secure IT infrastructure
- Appropriately defined and verified controls
- Processes and policies that implement the controls
- Complete documentation that demonstrates compliance
- Employees who understand and follow the processes

Overall, you need to ensure that you are not relying on internal controls that are inadequately designed or not operating at a level of "precision" needed to confirm that technology is protecting our client. You need to confirm that technology risks are being addressed, and the systems themselves prevent and detect significant or material errors in a timely manner.

Government agencies typically do not have documented controls, though the control activities are being executed. Depending on the nature of the audit need, adequately describing who performs a control activity and how frequently is a starting point, but well documented controls also include the following elements to assist the function in understanding the purpose of the internal control:

- The specific attributes contemplated during the execution of a control or process
- Assessment of the accuracy and completeness of the underlying reports or spreadsheet
- The types or nature of errors that the control is designed to prevent or detect
- Testing of the accuracy and completeness of system-generated data and reports

We know from experience that mitigating risk and achieving compliance objectives relies on many factors. We approach developing, testing, and educating about controls from the perspective of addressing the risk, not creating a checklist only function that causes uncertainty when an atypical situation arises and the process owners do not understand how to approach the situation that isn't directly addressed through a checklist.

When evaluating, we extend beyond the design and implementation of IT controls, we also assess the operation of the controls in their current state.

A typical IT General Controls assessment may include the following IT areas:

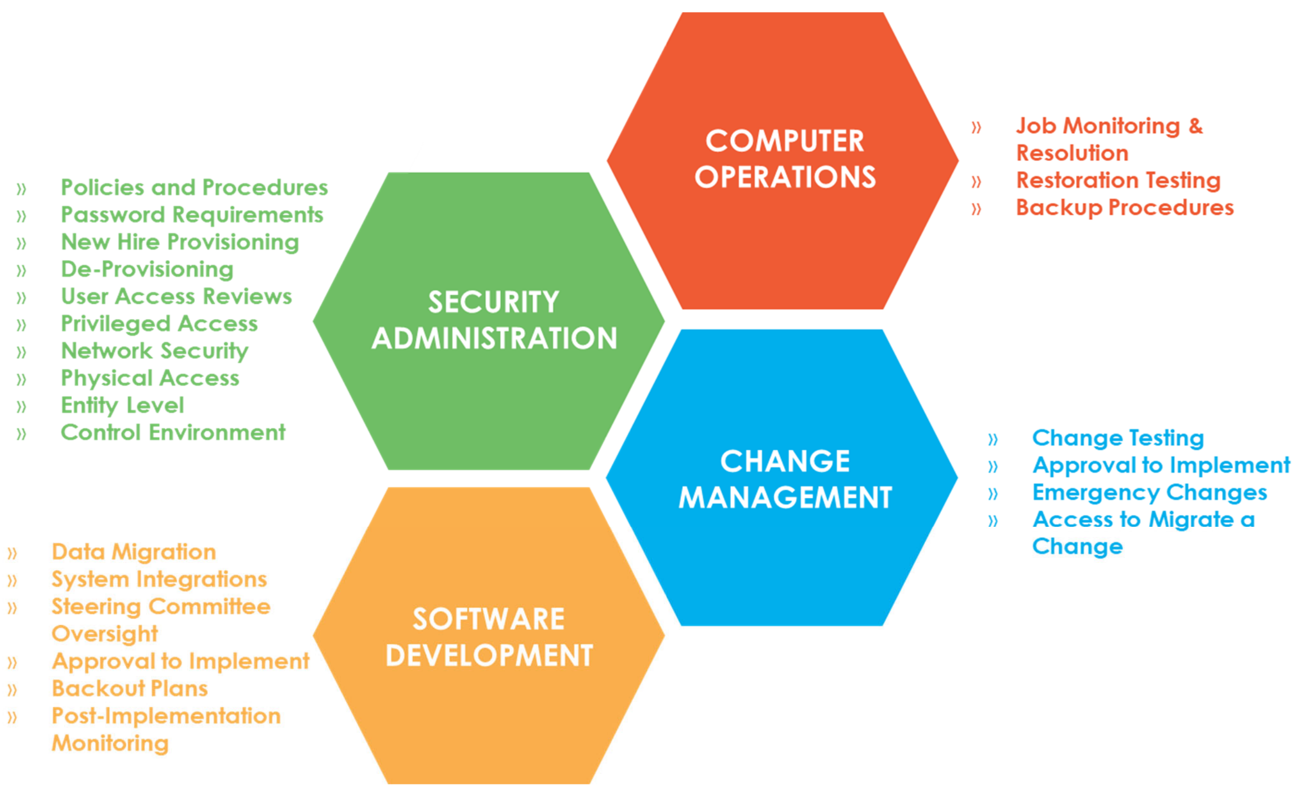
- Security Administration for the network (Active Directory typically), select applications and its supporting database and servers
- Change Management
- Interface Management and Batch Job Monitoring
- Backup and Recovery
- Third party management
- Server Room/ Data Center Physical Security
- Implementation Projects / System Development and Acquisition

During the planning of the engagement, Weaver focuses on understanding your IT landscape to develop a risk-based approach that matches our client's environment and compliance requirements.

Depending on the environment, controls and processes may focus on additional IT areas, such as cybersecurity processes and the coordination of information technology with other departments, such as Human Resources/Payroll and Treasury where certain applications/access is managed within a department.

We'll work with you to understand the applications, supporting databases and infrastructure you desire to include as part of the assessment. With an extensive team available for technology specific skillsets, we work with you to define the scope, objectives, test plans, and skillsets required to complete a comprehensive assessment.

We anticipate the significant processes/cycles may include the following:



In Focus: Cybersecurity Services

To be effective, your organization's cybersecurity program must provide an ongoing process that assesses risks, identifies threats, creates protections, monitors systems, and enables quick response and recovery. And that cybersecurity process must be embedded into the organization's governance, not just relegated to a corner of the IT department.

- NIST Cybersecurity Framework (NIST-CSF)
- Center for Internet Security (CIS) Critical Security Controls (CSC)
- Payment Card Industry Data Security Standard (PCI-DSS)
- NIST SP 800-53
- NIST 800-171
- DoD Cybersecurity Maturity Model Certification (CMMC)
- ISO 27000 Series (ISO 27001/27002)

With new personnel in the IT function, re-assessing how cybersecurity is managed and understanding risks and coverage areas is important. Audit Committees and Boards are most interested in cybersecurity risks when reviewing technology landscape.

Weaver's IT Advisory Services team understands that cybersecurity has to be built into your organization from the ground up.

We regularly work with organizations to assess systems and processes against a variety of technical and regulatory requirements, and we're well-versed in the standards and control frameworks used by leading organizations to manage compliance with these regulations.

Weaver looks at your IT environment based on organizational practices that go beyond standards and address cybersecurity at the root of what you do. Each assessment is uniquely tailored, and we work with stakeholders to reflect the right perspective whether strategic, tactical, or compliance oriented.

CYBER RISK ASSESSMENTS

Prioritizing cyber risks that impact security and operations and identifying mitigations.

COMPLIANCE ASSESSMENTS

Evaluating systems and processes, and providing results based on criteria and requirements.

VULNERABILITY ASSESSMENTS

Identifying technical weaknesses across devices to improve the overall security posture.

MATURITY ASMT. & ROADMAPS

Defining the current security profile to improve and target the intended goal state for security.

GAP & READINESS ASSESSMENTS

Facilitating work sessions and reviews to determine next steps for compliance.

PENETRATION TESTS

Testing systems as an attacker to highlight flaws and misconfigurations in a controlled manner.

CYBER AUDITS

Auditing cyber management practices against industry norms to quantify risk for stakeholders.

CYBER DUE DILIGENCE

Providing buy and sell-side analysis and support aligned to M&A strategy.

SOCIAL ENGINEERING

Simulating fraudulent e-mails to assess human weaknesses in security programs.

Sample Engagement: Cybersecurity Maturity Assessments

Cybersecurity maturity assessments focus on identifying and assessing the maturity of key cybersecurity practices across an organization.

Common frameworks and guides such as National Institute of Standards and Technology – Cybersecurity Framework (NIST-CSF) are utilized to determine if key cybersecurity functions are being performed as well as to evaluate whether those functions are conducted at a consistent level across the environment. Based on results and any additional assistance, we can assist in performing vulnerability scans or penetration tests.

Although every cyber program maturity assessment we perform is tailored to fit the unique circumstances of each client, there is a common methodology we apply to our general approach.

First and foremost, we determine which cybersecurity management framework to leverage. Some organizations leverage the Center for Internet Security (CIS) Security Controls (v8) or ISO 27001. However, we have seen an increasing adoption of the NIST Cybersecurity Framework (CSF) across a wide array of industries deemed critical infrastructure. As a result, although our methodology is flexible to leverage multiple cybersecurity frameworks, by default we start with NIST-CSF unless our client expresses a preference for one of the others. For the purposes of this proposal, the engagement approach will leverage NIST-CSF.

Overview:

- This project will focus on identifying and assessing the maturity of key cybersecurity practices within the organization. Common frameworks and guides such as NIST-CSF (National Institute of Standards and Technology – Cybersecurity Framework) are utilized to determine if key cybersecurity functions are performed, as well as, evaluate if they are conducted at a level that meets your objectives across the environment.

Procedures:

- Identify the current strategy of the cyber security program and facilitate the selection of the appropriate goal/target maturity state to ensure resilience and recovery capabilities are aligned with organization goals and objectives.
- Conduct interviews of key personnel within the organization and examine existing documentation to gain an understanding of the current information security and cybersecurity processes for the purposes of identifying gaps with NIST-CSF categories and sub-categories.
- Evaluate whether the identified internal controls and practices are designed to comply with organizational policies and procedures and meet the requirements of the NIST-CSF framework.
- Identify any unacceptable risk exposures (gaps) due to control design inadequacy or any opportunities to strengthen the effectiveness of the existing control design.

Deliverable:

- The deliverable for this project will be based on the completion of a matrix of observations and recommendations mapped to the NIST-CSF categories. A summary report of scope, procedures performed, and our key observations and recommendations will be prepared in addition to the matrix. An executive/board slide deck can be prepared as well depending on the level of reporting desired.

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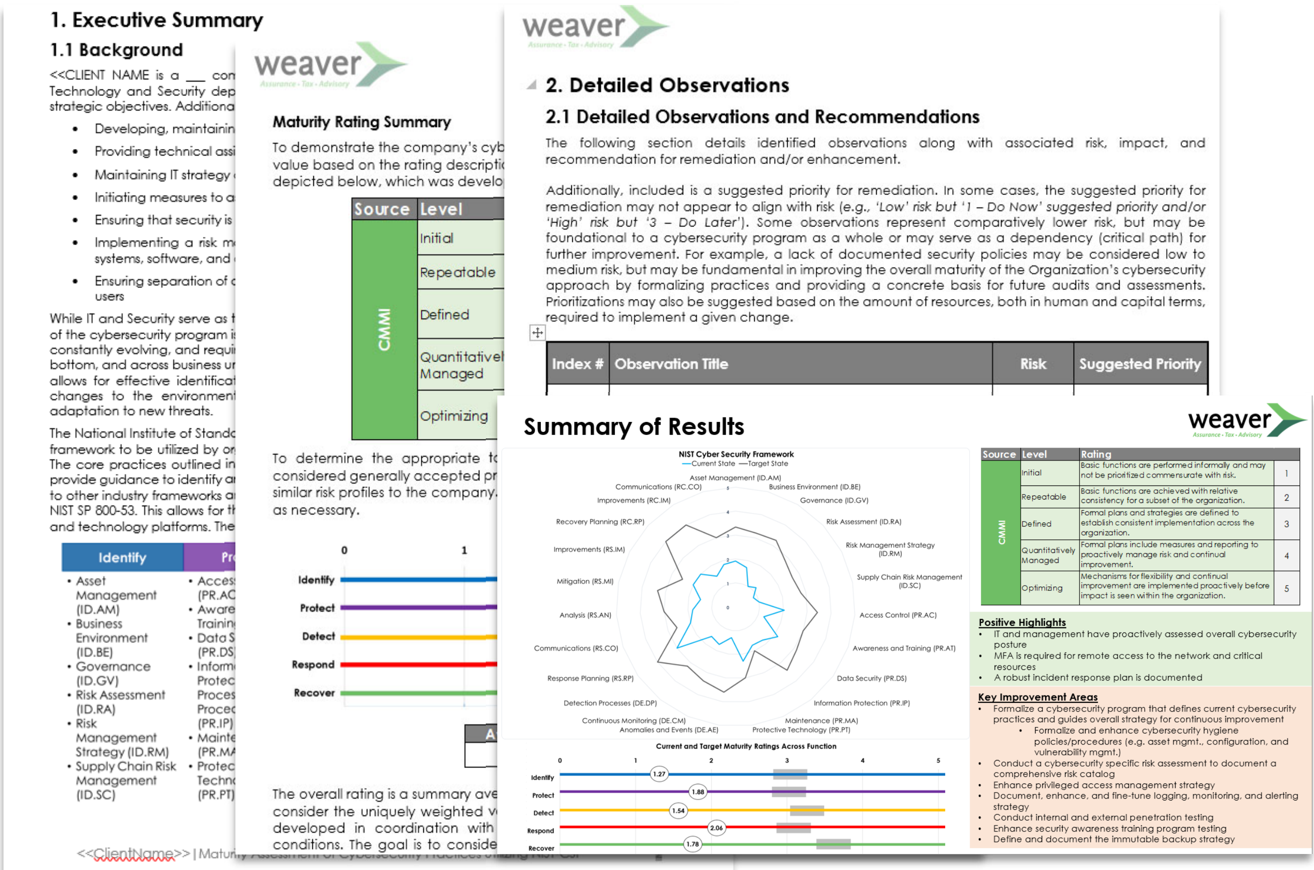
Excerpts from a sample report



In Focus: System Implementations

As systems including ERPs are becoming dated, and newer technologies promise increased efficiencies. Many organizations are wanting to identify and move to a new system, or at least a newer version of an application.

When going through these updates, it's important to identify requirements at a sufficient detail to ensure a new system has the expectations known, and that testing will be performed that validates the requirements.

Weaver has worked with many clients when they are changing systems. We know that requirements gathering and fully understanding the depth needed for requirements doesn't come until user acceptance testing is initiated and personnel are able to see what the new system and new procedures actually means for processing.

It's important to have a thorough understanding business processes, how current systems are used and what existing workarounds would ideally be addressed in a new system. Weaver can assist in a number of different ways when a new system implementation/ major system upgrade is planned.

TYPICAL ISSUES. Any system implementation has issues, and we work with the project stakeholders to determine the existence of any issues, and mitigations or methods to address. We've seen the following in different implementations:

» The right personnel aren't included in requirements or testing, resulting in incomplete system functionality.

» IT doesn't participate in system implementation and the knowledge transition is limited when the system is turned over to IT to support.

» Incomplete security testing, resulting in changes immediately during post go live to continue operations.

» Issues/functionality is not implemented due to delayed development and workarounds need to be identified at the last minute.

» Functionality is not implemented based on the implemention management team wanting to stay on timelines, causing reduced functionality at go live.

» Performance and capacity management issues creating perception issues on improvement in system capabilities with a new system.

» Implementing existing processes in the new system in trying to recreate the existing process and not accounting for the functionality of the newer system and enhancements available.

» Heavy customization leading to limited upgrade or integration functionality.

» Flexibility in configurations for future updates based on legislative changes.

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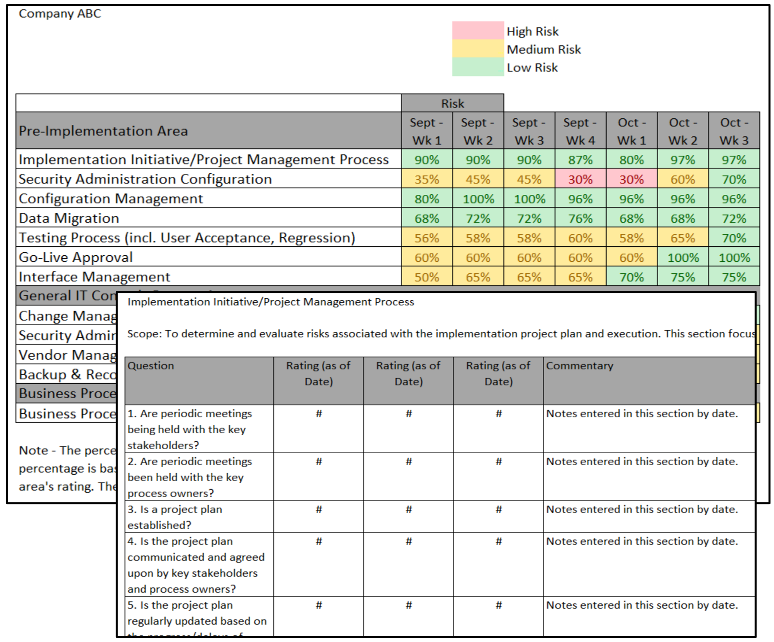
We can assist in the requirements gathering process, by not shortcutting the process, but working on the current state and really understanding the process and developing future state processes, which outline minimum expectations of a function and additional expectations with a new system. We also recognize that some personnel may want to recreate the existing process in the new system, inefficiencies included, since someone may have been executing a certain way for decades. We try to identify and limit those exposures of creating inefficient processes that do not take advantage of a new system's functionality.


Company ABC

High Risk
Medium Risk
Low Risk

	Risk						
Pre-Implementation Area	Sept - Wk 1	Sept - Wk 2	Sept - Wk 3	Sept - Wk 4	Oct - Wk 1	Oct - Wk 2	Oct - Wk 3
Implementation Initiative/Project Management Process	90%	90%	90%	87%	80%	97%	97%
Security Administration Configuration	35%	45%	45%	30%	30%	60%	70%
Configuration Management	80%	100%	100%	96%	96%	96%	96%
Data Migration	68%	72%	72%	76%	68%	68%	72%
Testing Process (incl. User Acceptance, Regression)	56%	58%	58%	60%	58%	65%	70%
Go-Live Approval	60%	60%	60%	60%	60%	100%	100%
Interface Management	50%	65%	65%	65%	70%	75%	75%
General IT Con							
Change Manag							
Security Admir							
Vendor Manag							
Backup & Reco							
Business Proce							
Business Proce							

Note - The perce
percentage is ba
area's rating. The

Implementation Initiative/Project Management Process

Scope: To determine and evaluate risks associated with the implementation project plan and execution. This section focus

Question	Rating (as of Date)	Rating (as of Date)	Rating (as of Date)	Commentary
1. Are periodic meetings being held with the key stakeholders?	#	#	#	Notes entered in this section by date.
2. Are periodic meetings been held with the key process owners?	#	#	#	Notes entered in this section by date.
3. Is a project plan established?	#	#	#	Notes entered in this section by date.
4. Is the project plan communicated and agreed upon by key stakeholders and process owners?	#	#	#	Notes entered in this section by date.
5. Is the project plan regularly updated based on	#	#	#	Notes entered in this section by date.

In an internal audit capacity, Weaver also performs pre-implementation and post-implementation procedures. We can work alongside the project team and system implementor to consider risk factors for the implementation and also how implementation controls are being executed.

For pre-implementation assistance, Weaver utilizes an implementation dashboard that shows the progression of the process areas that are identified as key/high risk, and how management's processes are managing those risks. In addition, we establish questions and apply a risk value with commentary to track the progress of various implementation areas to support the risk rating. These areas are separate from the system implementers' progress on development and testing.

We work with the IT organization, project team, and the related departments' that will be impacted by the system implementation. Throughout the process for the system implementation, we worked side-by-side with the project team providing monitoring services regarding the implementation process and whether risk was managed for the implementation, including:

- Project management
- Security administration
- Role security definition as part of the implementation
- Requirements definition process
- Application functionality/requirements implemented to support financial reporting processes
- User acceptance testing
- Post implementation operational plans for security administration
- Change management
- Interface management
- Hypercare processes
- Go live approval

Weaver has assisted on the multiple implementations in varying degrees to ensure the project teams and the system implementers are maintaining appropriate documentation, have sufficient coverage over risks, including how segregation of duties will be managed in the system once implemented, and validation of key reports planned for usage in business processes.

Planning

- Understand current status of project
- Develop preliminary Internal Audit Dashboard areas and risks
- Align Weaver activities with overall project activities
- Quaity Control procedures throughout the life of the engagement will also occur

Fieldwork

- Utilizing our Implementation Assessment methodology, we will inquire with management, the implementation team, and internal audit personnel, walkthrough relevant processes, and review documentation to understand and assess the risks and coverage of the risks
- Develop appropriate documentation to support the assessment/internal audit

Reporting

- Bi-Weekly project dashboard status reporting to management
- Provide key observations pertinent to key risk factors
- Provide recommendations on risks

Weaver recognizes that there are some activities that are global to the process and others that are phase-specific. We work with the organization to understand where it makes sense to provide internal audit assistance, whether pre- or post-implementation reviews, or as an advisor to procedures that the IA Department performs. And where a separate Independent Verification & Validation (IV&V) function operates for certain projects, we can supplement that function to support Internal Audit where it most aligns.

In Focus: Cloud Advisory Services

Many entities are considering the utilization of cloud services to replace existing system or software, Weaver can provide risk considerations to assist in ensuring that there is risk consideration and mitigation appropriately applied.

Weaver is familiar the risk associated with any system implementation, including a cloud solution – whether a SaaS (Software as a Service) workbook implementation to a major organization wide impacting cloud hosted system.

Cloud solutions vary from SaaS systems to IaaS solutions and we have developed strong knowledge of the public/private/hybrid cloud stack, DevOps, Continues Integration/ Continuous Deployment (CI/CD) pipelines, container orchestration and server-less architecture. As technology landscape evolves, we can assist in reviewing planned and implemented utilization of newer technologies. Some of the technologies and tools we've worked with include:

- **Virtualization:** Docker, KVM, HyperV, VMware, Citrix
- **Orchestration:** Kubernetes, OpenShift
- **Configuration Management:** SCCM, Ansible, Chef, Puppet, SaltStack, GitHub
- **Change Management:** JIRA, ServiceNow, GitHub, Travis, Jenkins, Azure DevOps
- **Monitoring:** LogDNA, ELK Stack, Splunk, QRadar, Devo, PagerDuty, Solarwinds, LogRhythm, Opsgenie,
- **Vulnerability Management:** Qualys, Tenable Security Center, Tenable Nessus & Security Center, Rapid7 InsightVM & Nexpose
- **Storage:** File, Block, Object oriented storage solutions from AWS, Azure, IBM, and Google
- **Network Protection:** Palo Alto, CrowdStrike, SNORT, OSSEC, Firepower

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In Focus: Third-Party Monitoring

Whether or not portions of the technology environment is hosted in an off-site data center, a SaaS solution is utilized, or business functions are outsourced, an entity needs to understand how a service provider is performing processes to maintain data and process integrity, and data security, at a minimum.

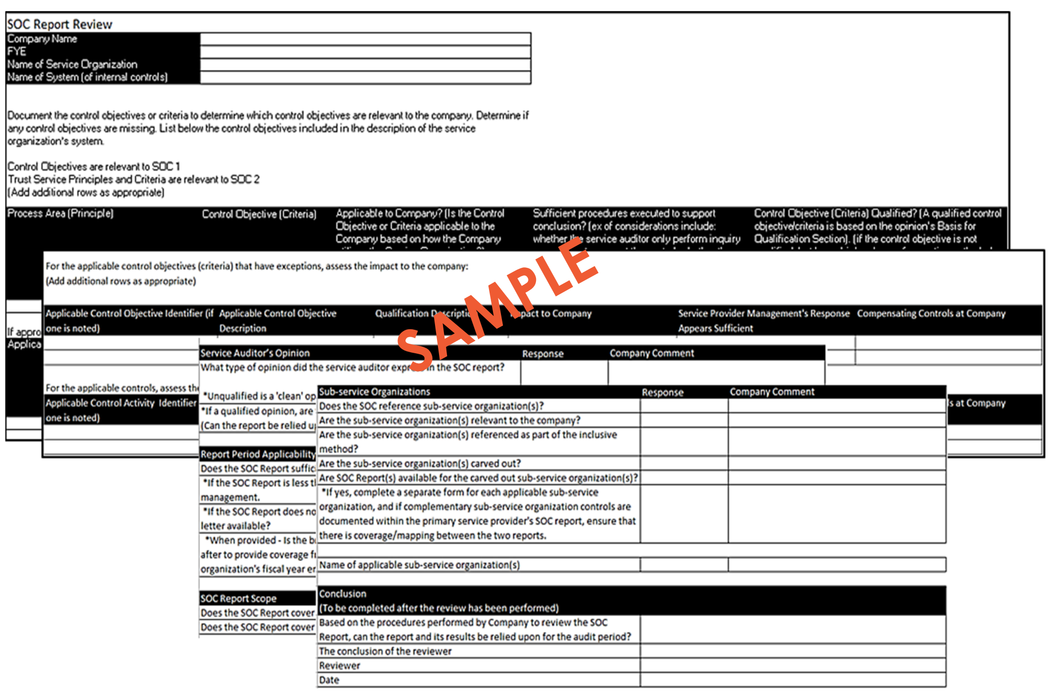
System and Organization (SOC) Reports are utilized heavily by third party service providers to provide such insight of controls performed by the service provider to management. The reports are an 'auditor to auditor' report which translates to template language required by the standard and interpretations by management and the SOC auditor on how the service provider supports their SOC 1 and/or SOC 2 criteria.

To help report readers and management understand the implications of scope, exception impact, and complementary end user controls mapping to management processes, Weaver has a template available for management to utilize for assessing SOC reports.

We can assist in identifying the Complementary User Entity Controls (CUEC) that are identified by the service provider, and translate those controls to the entity's processes and operations, or assist in remediation efforts to implement such processes. We help to assist organizations in understanding the report and whether the report covers the services that are provided to the entity.

Oftentimes, smaller SaaS entities may not obtain SOC reports themselves, and instead utilize the large infrastructure providers' SOC Reports instead. This scenario is common, but it's important to understand that while a large infrastructure providers' report is needed, it doesn't preclude the SaaS provider who is processing the data from also needing a report. Weaver understands the nuances and can assist management in assessing to applicability, coverage and impact analysis of any documented exceptions.

We anticipate that management has completed its analysis of existing SOC Reports that's relied on for financial reporting, and if needed for changes in third party vendors and SOC Report reliance, we can work with management as needed on report review. We have a template to assist management in performing the review, or we can utilize the existing format that's utilized today.



In Focus: Information Technology Assessments and Planning

Weaver can assist in assessing IT effectiveness, maturity, governance, project management and architecture.

Knowledge Skills Assessment

We can perform a Knowledge Skills Assessment (KSA), which documents the knowledge, skills and abilities of employees in the organization in the context of the job to which they are assigned. A KSA is also applied to the collective needs of the organization.

Effective organizations put the **right people**, in the **right seats**, moving in the **right direction**. The best organizations align personne with the **most talent** to perform the **most critical functions**.

Determining your collective KSA requires asking fundamental questions about your organization: **Human Resources Function**, **Talent and Proficiency**, and **Organization and Deployment**.

Human Resource Questions

- Does a job description exist for each position? Is it accurate?
- Do the responsibilities assigned to the position meet the current needs of the organization?
- Have those responsibilities been communicated to the employee?
- Has the employee's performance been evaluated?
- Do employee evaluations provide useful information?

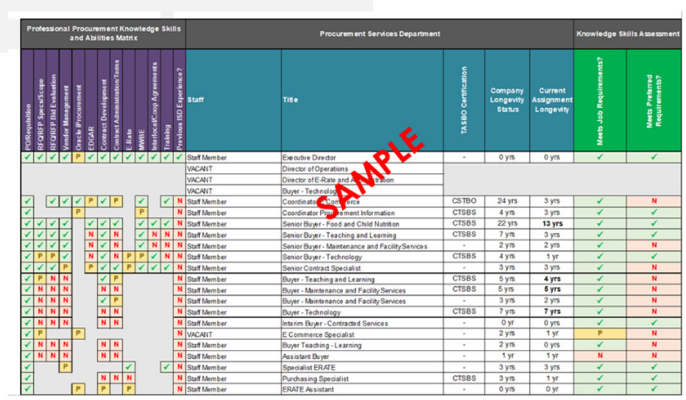
Talent and Proficiency Questions

- What degrees, certifications and training are required for the position (**knowledge**)?
- What are the different aspects of the job and how proficient is the employee at those aspects (**skills**)?
- How well does the employee perform the job relative to others (**ability**)?
- What continuing professional education and training has the employee completed?

Organizational Questions

- How are positions compensated?
- How does that compare to the market?
- How many vacancies exist across the organization?
- Is there a pattern to the vacancies?

After assessing KSA, the results are put into a matrix, creating a visual map of where talent gaps exist.



Sample KSA Matrix for Procurement Department

In Focus: Digital Transformation

Weaver's dedicated Digital Transformation and Automation practice has provided digital transformation and innovation consulting to government organizations and private business alike.

The Weaver team includes experienced professionals from a diverse set of backgrounds who will bring a unique perspective, including qualifications in accounting, psychology, engineering, IT help desk, software engineering, Chief Information Officers, and Chief Executive Officers.

What all of these professionals have in common is a deep appreciation for how organizations operate and a people-first mentality.

While each engagement will be specific to our clients' unique setup and needs, the following is our overall engagement philosophy:

Communication

We're more than just developers and technology specialists: Our teams understand both functional business processes as well as supporting technology requirements, allowing us to translate the needs of each organization into actionable IT development steps, and vice versa.

Systematists, not Specialists

We focus creating a solution that maximizes our client's entire ecosystem of applications, the infrastructure that supports them, and the staff that use them. Our solution maximizes existing investments in current functionality, considers the impact of "learning curve" on the users of a system, and positions our clients to answer the needs of today as well as support the needs of tomorrow.

Modularity

We maximize the modularity of our designed solutions to allow components to be extracted, reused and repurposed, scaling to meet future needs and solve tomorrow's problems, increasing your return on investment and decreasing your future digital transformation costs.

Business-Centric Design

Many studies have shown that 30% – 60% of system implementations are considered outright failures, and many of the "successes" fail to adequately deliver the organization's needs. While many different factors create these failures, the most prevalent theme is consistently related to a failure to comprehensively understand the organization and its needs from the outset.

With significant experience in higher education, we're able to design solutions that provide the right information at the right time for your users.

Built-In Auditability

Our team includes both auditors and technologists practiced in maintaining “control consciousness” throughout the design process. We build in control checks, audit logs and monitoring dashboards that maintain the critical historical data necessary for key financial systems, so your business and your auditors can have confidence in the integrity of your systems.

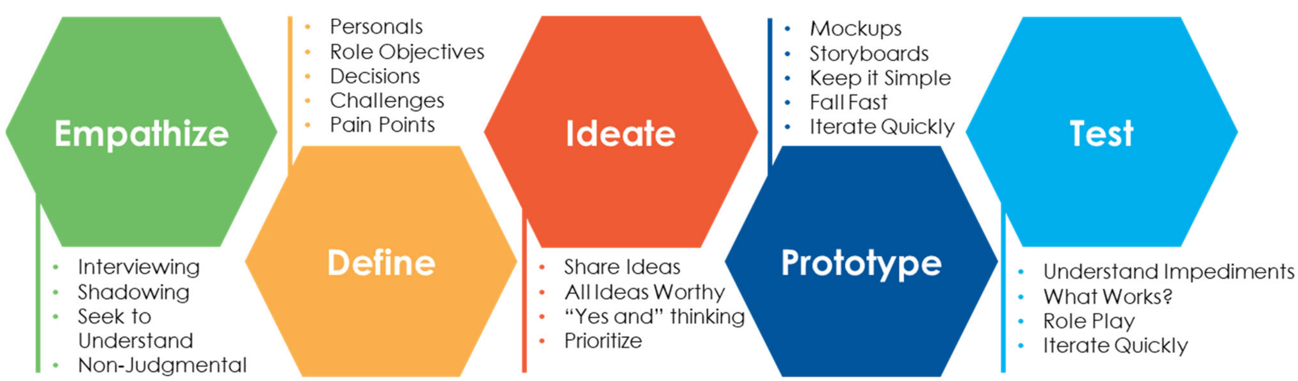
Weaver is a thought leaders in the areas of organizational growth, innovation and transformation; scan the QR code to view our ongoing blog series, **Your Guide to a Successful Digital Transformation**.

Design Thinking Methodology

Our team is trained to use the “Design-Thinking” methodology as a framework to architect solutions that don’t just generically address problems, but address the problems in the way that is most helpful for the business.

Design thinking is an iterative process where you seek to understand your users, challenge assumptions, redefine problems and create innovative solutions which you can prototype and test. Whether building a governance program, or developing a “bot,” the Design-Thinking methodology aligns the team on what matters most: **Making your organization better.**

Design Thinking Process



From: Stanford d.school

5. Sample Approach: e. Data Analytics / Continuous Monitoring

As depicted in **d) Proposal, 4.4 Vendor Experience, Data Analytics/Continuous Monitoring**, Weaver has extensive capabilities to help our clients make the most of their data. The following are example approaches for three types of data-related projects.

In Focus: Developing Data Analytics Program

Phase 1: Discovery and Design

The first step of the engagement will consist of conducting a planning meeting with key stakeholders to gain an understanding of the currently known data assets, needs, and stakeholders to be involved in the discovery process.

Based on this gap assessment, we'll do the following:

- Develop a schedule of interviews with identified stakeholders to understand the location of the data assets
- Begin to develop a data dictionary that identified transactional golden keys
- Identify potential avenues to create data pipelines to the analysis database

With the information gathered in the stakeholder interviews, as well as reviewing data extracts of the key data sources, we'll design a data collection methodology that considers current system deployments, restrictions and functionality while also maximizing the integrity and efficiency of the pipeline. We'll validate this architecture with client stakeholders to ensure that the designed deployment aligns with the client's requirements.

We'll also work with our client to design the functional requirements of the analysis module, including the front-end interaction application, security requirements, specific standard analytics, custom audit-based analytics, and other functional capabilities to be developed in the solution.

Phase 2: Development and Analysis

Using the functional design documents, we'll developed prototypes of the reports.

Each prototype will be validated with the identified key stakeholders to ensure the information is presented in the most effective way to fit client needs. As needed, we'll also coordinate with our client's IT support function to deploy the analytics within our client's environment.

CONFIDENTIAL

Some of the analytics and continuous audit activities may include reporting functions similar to the areas listed below.

Example Reporting Functions

Transaction Alerts Regarding Potential P-Card Misuse, Financial Alerts, Purchasing Alerts Summarizing Review Findings

P-CARD MISUSE

- An overview/summary of key purchase statistics
- Department patterns
- Employee patterns
- List of transactions suspected of misuse including gifts, awards, small local dining transactions, car washes, and fuel purchases

DEPARTMENT PURCHASE REPORTING INCLUDING DEPARTMENT SUMMARY, DEPARTMENT PURCHASE, CARDHOLDER ACTIVITY

- One report per department
- Purchase analysis, top purchase categories, top purchase suppliers
- Transactions flagged for department review
- Department split transactions, credit limits, and potential sales tax
- Missing business reasons
- Suspect purchases
- Suspect service vendors doing work on client property
- Department transaction details

ACCOUNTS PAYABLE STATISTICS INCLUDE, BUT ARE NOT LIMITED TO, DUPLICATE INVOICES, DUPLICATE PAYMENTS, AND FREQUENT CREDITS

- One report per category
- Purchase summaries
- Overview/summary of possible duplicate payments
- Vendor purchase summaries
- Frequent credit notes

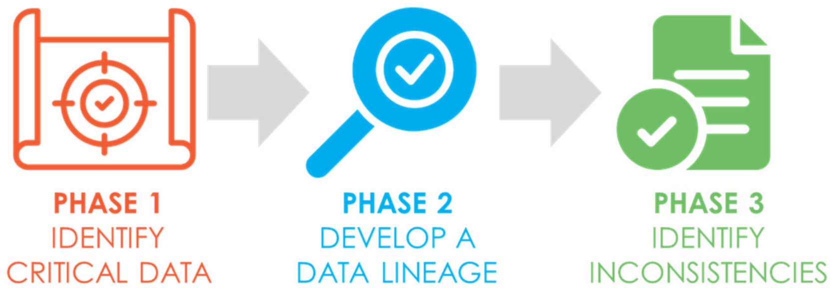
Phase 3: Reporting and Resolution

We'll design the reporting dashboards to translate the analysis activities into consumable information by client teams.

Furthermore, we'll work with management to design a resolution process for the evaluation of exception transactions including incorporating the results into the reporting to provide near real-time views of the status of resolution.

We also worked with management to deploy reporting to the appropriate individuals. Then, we led training and knowledge-sharing sessions that shared how the reporting could be leveraged to maximum effect, how to add incremental improvements, and how to create additional custom dashboards for audit reporting or additional monitored analytics. The training also covered how to generate the analytics both dynamically and on a scheduled basis.

In Focus: Data Quality Assessment



Phase 1: Identify Critical Data

Identifying the most critical reports and information consumed our client's reporting stakeholders and how they are receiving that information can be a time-consuming activity.

However, with our leading technology and experience in government and higher education spaces, we're able to dramatically accelerate this process while simultaneously reducing the impact on stakeholders. We achieve this by taking a three-point approach to the identification of critical reports and information:

- **Reporting analytics** — We start by analyzing the utilization of reports across the suite of applications and the users generating those reports. By leveraging this data, we're able to build a picture of how information is being consumed by stakeholders.
- **Leveraging our experience management platform, DropThought** — We're then able to take that information and solicit feedback from a large number of stakeholders. We'll classify groups of stakeholders based on the reporting analytics so that they're able to share their experience, primary data fields used, common issues and level of importance of the reports used by their grouping. Furthermore, this tool allows us to solicit information on any reports that aren't included, private queries that may be heavily utilized and other areas where stakeholders are aggregating data manually.
- **Facilitated sessions** — After compiling the results of the reporting analytics and the experience management feedback, we'll facilitate sessions with key stakeholders and small groups to validate our understanding, identify any final additions to the reports and obtain feedback on the data sets identified as critical.

Phase 2: Develop a Data Lineage

Using the results of the previous phase, we'll build a data lineage for each data element.

We'll start at the reporting layer, through the reporting database, including points of integration and finally to the source data, so that our clients see every step of their data's journey before it's consumed by the stakeholders.

Phase 3: Identify Inconsistencies

Leveraging the power of our data analytics tools and platforms, we'll build reconciliation "flows" for each of the data elements that trace that element through its journey and identify differences at each step of the transition.

These flows are repeatable and can be shared with clients to be implemented in their environment to support maintaining the integrity of the data in the future. Our background means we not only understand the importance of the analyses we'll perform, but have performed these audits many times.

In Focus: Data Modeling and Warehousing

Phase 1: Project Planning

In Phase 1, our team will work to understand our client, its team, systems and detailed goals. We will:

- Review current data warehouse architecture to assess state
- Review current data modeling tools in place
- Survey key data consumers, subject matter experts (SMEs), and stakeholders on future needs
- Facilitate live sessions with SMEs, and key consumers
- Work with IT partners to align on focus and scope of future data marts
- Gather requirements, prototype, receive feedback and design solutions

Weaver will then provide assessment and recommendations for data warehousing structure.

Phase 2: Assess and Build

We'll leverage Phase 1 learnings to guide designs of data pipelines and future models. We will:

- Align on future approach and begin building future state
- Assist in data modeling and build out pipelines for data warehouse objects
- Complete applicable data marts
- Test functionality, gather feedback, enhance, and redeploy after user feedback
- Confirm project requirements have been met

Phase 3: Knowledge Transfer and Closeout

Following the completion of Phase 2, we don't just leave our clients to figure the system out. We will:

- Schedule live meetings to transfer knowledge to staff
- Provide supporting documentation for project handover
- Review project wins and retrospective feedback around opportunities

6. Sample Approach: f. Risk Assessment and Audit Plan Development

Weaver's internal audit approach is designed in accordance with the Standards for the Professional Practice of Internal Auditing and the Code of Ethics contained in the Institute of Internal Auditors' Professional Practices Framework. With an overarching focus on long-term risk management, our methodology encompasses both the examination and evaluation of the adequacy and effectiveness of the system of internal control, and the quality of performance in carrying out assigned responsibilities for each in-scope area.

Key areas of focus typically include:

- Reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information
- Compliance with policies, plans and procedures, as well as applicable laws and regulations
- Safeguarding of assets and, as appropriate, verification of the existence of such assets
- Economical and efficient use of resources
- Consistency of results with established objectives and goals and whether operations/programs are being carried out as planned

Our approach is designed to develop a frequency or cycle of internal audit requirements for each of the identified significant processes. Our model can also be refined to assess individual components of key processes as considered necessary.

EVALUATE RISK

Develop a process-level risk evaluation based on client-specific objectives and requirements. This evaluation includes a review of entity-wide controls to better understand the governing and operating structures, as well as the "tone at the top."

DEVELOP INTERNAL AUDIT PLAN

Build a detailed internal audit plan and develop internal audit timeline based on that plan, as well as client-specific objectives, requirements and personnel capabilities.

EXECUTE INTERNAL AUDIT PLAN

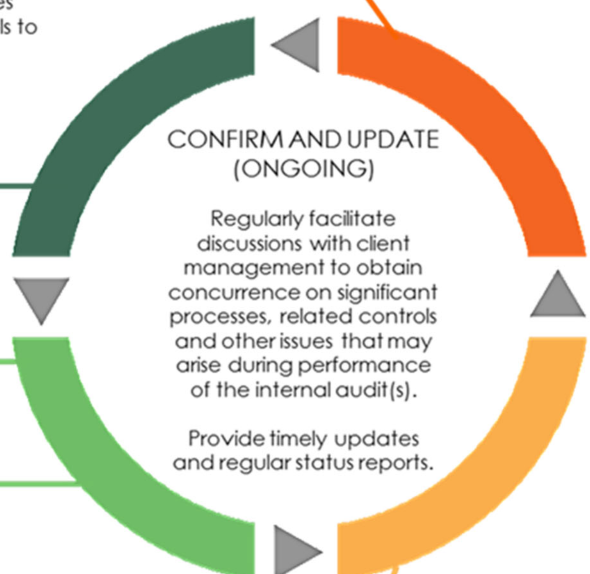
Work with management to efficiently and effectively perform the internal audit(s) according to the plan.

REPORT AND RECOMMEND

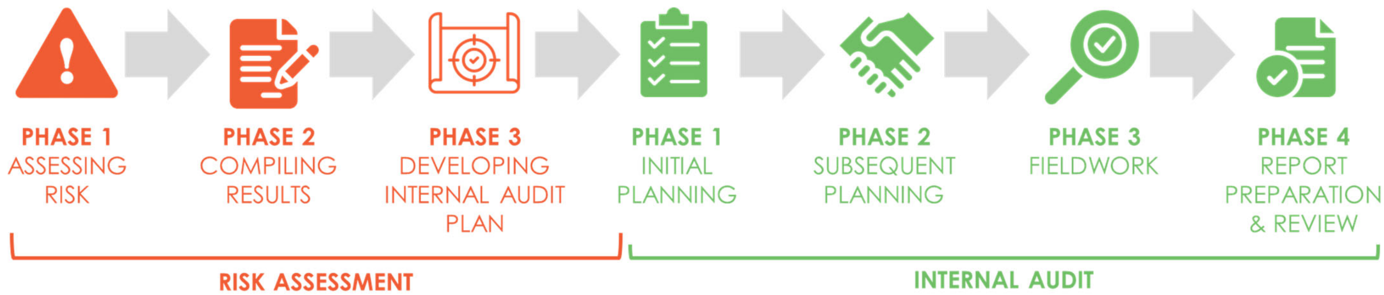
Provide final deliverables, including reports and recommendations at the end of each internal audit.

FOLLOW UP

Follow up on open findings and implementation of recommendations.



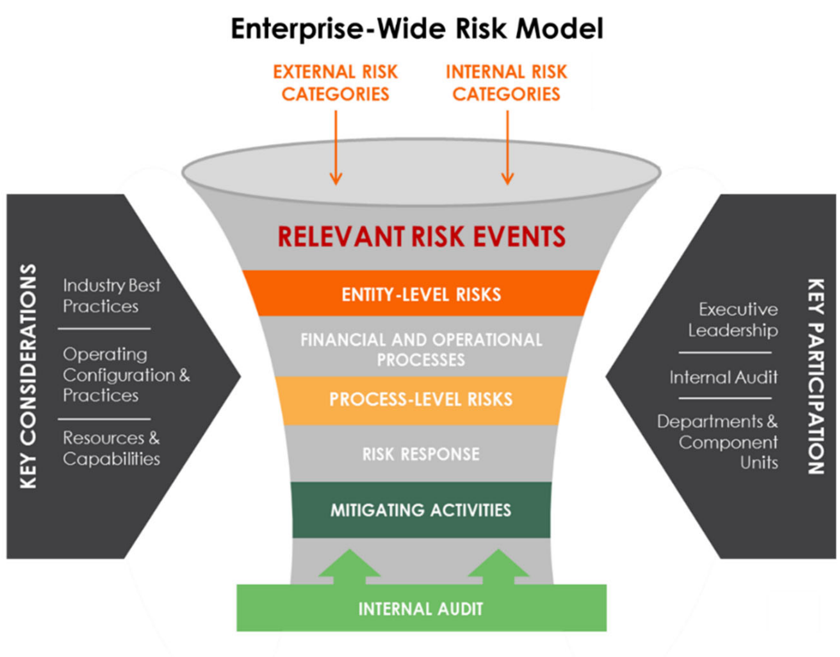
Through experience, we've developed a collaborative risk assessment and internal audit model that begins with the consideration of internal and external risk factors and, through a facilitated approach, results in the determination of relevant entity-level risks and how those risks influence operating processes.



Performing the Risk Assessment

Weaver's risk assessment process is designed to gather candid input on organizational risks for the in-scope areas.

We've developed a risk assessment forum model consisting of participants from all functional areas. Participants meet to work through the risk assessment, discuss risk considerations and establish a consensus.



Phase 1: Assessing Risk

During the internal audit lifecycle, the purpose of a risk assessment process is to receive candid input on organizational risks in the areas of finance, compliance and operations.

First, we perform a comprehensive impact and probability-ranked risk assessment to determine the risk-rated audit universe. In accordance with pre-defined requirements, we perform the risk assessment using techniques to identify risk factors that affect the major systems and controls.

The risk assessment process and the resulting risk-ranked universe of significant processes are established based on the existing conditions at the time of the assessment. As such, they should be periodically updated to appropriately reflect the changing risk profile as organizational changes occur.

Our risk assessment process consists of:

- Developing a universe of significant activities to ensure complete coverage of all operationally and financially significant activities (including fraud)
- Developing the risk assessment profiles of the key processes and functional areas and assigning initial risk ratings for each identified activity or process regarding its overall level of risk to the organization
- Meeting with management to gain consensus on the significant risks and risk rankings for the identified activities, and to complete comprehensive risk assessment based on the impact and likelihood of risk

From this, we develop a risk-rated internal audit universe worksheet, which depicts the high-to-low risk areas and provides a comprehensive view of the risk assessment results. See sample risk assessment results below.

High	An overall average rating of 3.30 or higher is considered High.
Moderate	An overall average rating from 2.51 to 3.29 is considered
Low	An overall average rating of 2.50 or less is considered Low.

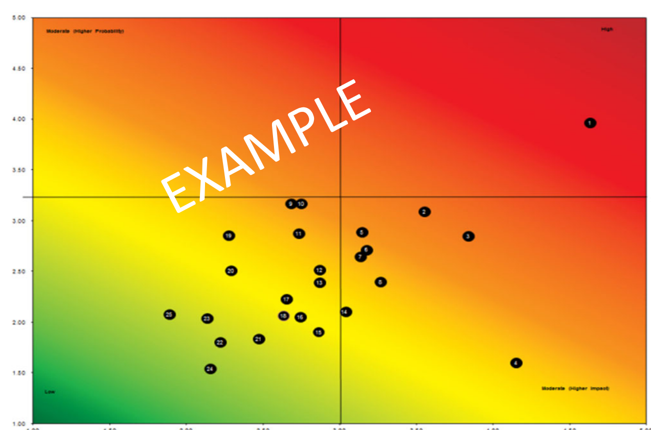
Risk Factor			Financial and Fraud Risk		Operations and Complexity Risk		Information Technology Risk		Human and Organizational Risk		Reputational Risk		Probability Sub Total	Impact Sub Total	Overall Average
Weight Factor			25%		20%		10%		25%		20%				
	Process Area	Process Group	P	I	P	I	P	I	P	I	P	I			
1	Human Resources	Operating and Administrative Activities	4	4	4	4	4	4	4	4	4	4	4.00	4.00	4.00
2	Payroll Process	Operating and Administrative Activities	4	4	4	4	4	4	4	4	4	4	4.00	4.00	4.00
3	Accounts Payable and Cash Disbursements and Procurement	Financial Activities	4	4	4	4	3	2	4	4	4	4	3.90	3.80	3.85
4	Information Technology Security	Operating and Administrative Activities	4	4	4	4	4	4	3	3	4	4	3.75	3.75	3.75
5	Purchasing Cards	Financial Activities	4	4	4	4	2	2	3	3	4	4	3.55	3.55	3.55

Phase 2: Compiling Results

Next, we evaluate risk scores for the risk activities and work with management to review the assessments to ensure risk scores are reasonable.

From the final risk scores, we'll develop a consolidated process-level internal audit universe that is risk-rated and can be used in the risk management program.

To develop the risk-rated audit universe, we create risk maps based on the probability and impact scores for each risk activity. These risk maps are used to help determine the appropriate basic risk response of *Improve*, *Accept*, *Monitor* or *Optimize*.



Phase 3: Developing Internal Audit Plan

From the risk-rated audit universe, we will develop a multi-year internal audit plan to strategically and thoughtfully plan out a strategy that best utilizes our client's resources.

Once the risk-rated audit universe and internal audit plan are complete, we submit them to management for approval. Our resulting report presents our results, complete with risk maps, top risks, risk response plans and a proposed internal audit plan. See the following page for a sample internal audit plan.

Audit Area	Category	Risk Rating	Summary of Procedures EXAMPLE	Timing
20XX-20XX Planned Internal Audits				
Procurement, Procurement Cards, Accounts Payable, Cash Disbursements, and Travel and Business Expense	Financial	High	Internal Audit will include an evaluation of risks and internal controls in place related to the Company's Procurement, Procurement Cards, Accounts Payable, Cash Disbursements, and Travel and Business Expense processes. Key functions and sub-processes would include: Purchasing, vendor set-up, vendor invoice review and approval, payments, travel and expense reimbursement, petty cash and purchasing card administration, payment, review and approvals.	September/ October 20XX
Human Resources, Benefits Administration, Employee Development, and Payroll	Operating and Administrative	High	Internal Audit will include an evaluation of risks and internal controls in place related to the Company's Human Resources, Benefits Administration, Employee Development, and Payroll processes. Key functions and sub-processes would include: Human resources administration, performance and compensation review, onboarding, terminations, disciplinary actions, benefits administration, employee development, and payroll processes such as timekeeping and approval, payroll taxes and voluntary deductions.	January/ February 20XX
20XX-20XX Annual Requirements				
Project Management	Project Management		Track overall internal audit procedures, coordinate internal audit activities, and reporting to management.	Ongoing
Risk Assessment	Policy Compliance		Perform the process level risk assessment for the Company	May - August 20XX
Annual and Quarterly Board Reports	Policy Compliance		Prepare and submit required annual and quarterly reports to the Committee of internal audit activities	Ongoing

In Focus: Updating the Risk Assessment

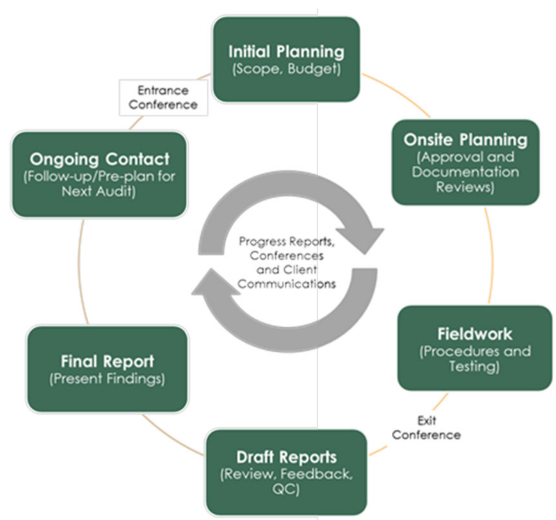
We recommend reviewing risk assessments annually; however, this annual review can take many forms and is usually not as comprehensive in scope as the initial risk assessment. A full risk assessment is recommended to reoccur every two to four years, depending on the environment.

Performing Internal Audit Procedures

Phase 1: Initial Planning

During this phase, we lay the foundation for the audit, working with our client to establish the scope and develop mutually-agreeable schedules and staffing assignments.

We meet with management and process owners to identify key areas of risk, concerns and any known control deficiencies. We also review previous audit plans and results, as applicable. To determine the appropriate coverage for each audit, we perform a process-level risk assessment to identify the critical failure points and key controls in place.



Where possible, our team will look for opportunities to combine any related audit areas to increase the efficiency of the audit. Based on the information gathered, we'll develop a detailed audit program. While audit programs differ based on factors such as scope, nature of the program and objectives, common procedures include:

- Gaining an understanding of the internal controls, including information technology systems, for ensuring that information is reliable and accurate and that controls are operating as designed
- Gaining an understanding of internal controls for ensuring compliance with relevant federal and state statutes

Finally, we'll prepare a time and expense budget based on procedures, individual schedules and the process cycle.

Phase 2: Subsequent Planning (Onsite)

During this phase, Weaver will meet with management and process owners to obtain approval of the scope, objectives, audit programs and budget prior to execution.

Our team will request and review:

- Policies, procedures and other relevant documents
- Financial/cost information
- Reporting
- Authoritative guidance and standards

Based on the information obtained and reviewed, we'll revise the draft audit program as needed to ensure it is sufficiently tailored to achieve your specific objectives.

Phase 3: Fieldwork

During this phase, Weaver will perform most of the hands-on internal audit work, executing procedures and testing as indicated in the detailed audit plan.

Common procedures performed include:

- Confirming controls are designed and operating effectively according to policies, procedures and federal and state regulations (or other authoritative criteria)
- Observing processes and procedures
- Testing relevant controls
- Reviewing relevant documentation
- Confirming the accuracy of data reported
- Evaluating compliance with state statutes and regulations

Based on the information gathered during our fieldwork, our team will identify preliminary findings and validate them with the respective process owners. After validating the findings, we'll conduct an exit interview to communicate our preliminary results.

Phase 3: Report Preparation and Review

Prior to inclusion in any reports, Weaver will review and confirm potential findings with management.

We'll work with process owners and management to provide accurate and timely recommendations and to remediate the findings identified. Once findings have been reviewed, we'll prepare a balanced audit report that includes all results from our process, as well as recommendations for each reportable issue.

Then, after performing complete quality control reviews of deliverables, our team will deliver the draft reports to the process owner(s) and client management for review. We'll review and consider any feedback and responses to findings received regarding the draft reports, and then issue the final report.

Recommendations will include suggested guidelines to ensure compliance with regulatory and industry requirements, process safeguards to protect assets, checklists to help streamline processes, and procedures or automated controls to improve the reliability, efficiency and transparency of processes and procedures from beginning to end.

The final layout and content of project-specific audit reports is flexible, depending on our client's specific needs. Throughout our engagement, we'll provide the following reports:

- Project-specific audit reports
- Project-specific follow-up audit reports
- Annual Internal Audit Report, as needed
- Notice and delivery of completed audits to all State oversight bodies, as applicable
- Periodic reports to management and State oversight bodies, as applicable

As Needed: Follow-Up Procedures / Corrective Action Plans

As part of our fieldwork and reporting cycles, we regularly assist clients in developing corrective action plans.

When identifying an internal control deficiency or an area where improvements can be made to strengthen the process or internal controls, we work closely with those responsible for the functions to create a corrective action plan to address each issue. To develop these plans, we'll coordinate with client employees to create actionable, implementable changes that address the specific risks identified.

To ensure the ongoing maturity of an organization and recommendations and corrective action plans are implemented effectively, Weaver also conducts follow-up procedures on the remediation of findings to ensure changes have been implemented and that risks are efficiently and effectively addressed.

We'll update and internal audit plan and associated matrices/deliverables to include the current status of each issue and the updated management response.

7. Sample Approach: g. Financial Audit

At a high level, our financial audit approach generally consists of five phases:

Phase 1: Planning & Risk Assessment

To start, our team will meet with you to understand your operations and processes, compile our document request list, provide access to our client portal, identify and confirm potential risks and calculate a preliminary estimate of materiality.

Finally, we'll develop key parameters for the audit, including:

- Audit objectives
- Staffing and responsibilities, including manager and partner supervision
- Application of analytical procedures
- Schedules and hour budgets by audit area
- Materiality levels used for planning
- A risk assessment of internal controls

In developing our audit plan, we'll consider aspects of your operations that could affect the audit scope and approach, such as organizational structure, governing laws and regulations, annual budget and sources of revenue, number of employees, and any significant events during the past year that might have affected your financial processes.

TECHNOLOGY IN THE AUDIT — Weaver's secure portal enables our team and yours to share, review, store and track all items related to the engagement. We can also download financial data directly into our audit software to prepare trial balances, perform analytical procedures and prepare the financial statements. To further increase efficiency and accuracy, we can even leverage our in-house data analytics team to analyze 100% of selected data.

BEYOND THE AUDIT

What makes Weaver different? We strive to provide ongoing value beyond mere "check the box" compliance, including:

- A knowledgeable engagement team that can alert you to pending changes and coach you through them
- Professionals at every level who understand government auditing and accounting standards and the special requirements of governmental entities
- Year-round access to consultation and advice from well-informed industry leaders
- Free admission to Weaver's annual day of continuing professional education designed specifically for our government clients
- Confidence in the results of your audit

As an integral part of our audit planning, we complete annual reviews of internal controls and your operations and accounting processes. This in-depth understanding of your operations and accounting processes is essential for performing a thorough, efficient and effective audit. It also helps us make relevant, valuable management comments.

Phase 2: Control Documentation and Preliminary Fieldwork

Understanding Your Internal Control Structure

First, we'll examine your internal controls to make sure they're properly designed and functioning as intended.

We'll then ensure an adequate understanding of your internal controls as they relate to the risk assessment, control environment, control activities, information and communication and monitoring. This will be accomplished by:

- Reviewing controls and determining whether they've been placed in operation
- Assessing the materiality of the various account balances and transaction classes
- Evaluating the risk factors that could affect the scope of testing

Determining Laws and Regulations Subject to Testing

We'll consider the effects of laws and regulations that have a direct and material effect on the determination of amounts in the financial statements.

To do this, we'll:

- Discuss applicable laws and regulations with representatives and legal counsel, if indicated
- Utilize information from prior-year work papers and our knowledge of your processes and procedures
- Review certain grants and contracts
- Obtain written representations from management

PREPARED BY CLIENT (PBC) REQUESTS

We recognize that client's staff manages finances of a multimillion and multibillion-dollar enterprises; our objective is to allocate to you only those tasks that will result in the greatest cost-efficiency overall.

For any and all requests for information, we'll give your adequate lead-time for their preparation. We'll deliver a request list for our interim fieldwork no later than one month in advance of the scheduled arrival for fieldwork.

When we conclude our interim fieldwork in your office, we'll deliver a tailored list of schedules for final fieldwork based on our understanding of controls and operations developed during the interim fieldwork. We don't utilize standard templates; rather, whenever possible, we'll work with schedules already prepared by management.

Based on our understanding of your accounting and financial reporting, we expect that our PBC list will be similar to prior audits. We'll update any items subsequently received that could be added to the list, and remove items that don't add meaningful value.

Audit Sampling Approach

The nature and size of our client's operations will likely require us to design procedures to include sampling applications.

All sampling will be performed in accordance with AU-C Section 530 and the AICPA audit guide, "Audit Sampling." Sampling applications may be used for these areas:

- Tests of accounting controls
- Tests of controls over compliance requirements of major federal or state programs, as applicable
- Tests of compliance with major federal or state program requirements, as applicable
- Substantive tests of account-balance details

The determination of tests of controls for transaction cycles will be determined by our evaluation of the design and effectiveness of your accounting controls. Our approach to tests of accounting controls will use tolerable rates of deviation and a 90% confidence level. The number of transactions tested will ultimately be determined by our expected rates of deviation and our control risk assessment. The specific items to be tested will be chosen randomly.

Determining Sample Sizes

The size of samples can't be determined in advance for substantive tests of details of account balances. Weaver uses a nonstatistical sampling approach based on statistical theory, as widely used throughout the audit profession.

This methodology uses the concepts of tolerable misstatement, risk of material misstatement, other substantive procedure risk, individually significant transactions and account balance in determining the sample size.

Phase 3: Final Fieldwork

After you complete the year-end closing of accounts, our team will begin final fieldwork.

This is the time when we perform most of the substantive tests on your data and prepare our audit work papers. During this time, the auditors will:

- Perform audit tests and complete preparation of audit work papers
- Complete audit programs, procedures and conclusions
- Discuss audit findings and adjusting entries with your management
- Obtain attorney letters

Throughout this phase — and throughout our entire relationship with you — Weaver will remain in close communication with your management. Our goal is a "no-surprises" audit. Whenever there is a question or a potential issue, **we'll immediately bring it to your attention, seek your confirmation of the data and ask about any relevant circumstances.**

Substantive Procedures

After years of experience, Weaver has developed a very efficient methodology for performing substantive procedures on financial statement accounts and transactions quickly, but thoroughly.

The objectives of these procedures are to provide reasonable assurance that you'll be able to accurately process, summarize and report financial data consistent with management's assertions. Those assertions cover classes of transactions, year-end account balances, and presentation and disclosure of financial data.

Analytical Procedures

During your audit, we examine more than pieces of data in isolation. We also analyze the interrelationships of financial and nonfinancial data. Our extensive use of analytical procedures offers a natural extension to the process of understanding your operations. As we develop this understanding, we determine what ratios, relationships and internal or external data management tools will be useful in identifying and monitoring risks.

The exact analytical procedures performed are determined as part of our planning process, after we have completed interim and internal control analysis and testing. Common procedures performed in past engagements include trend analysis, ratio analysis and predictive or "reasonableness" tests.

For example, depending on the specifics of your data and processes, we may:

- Compare financial information with comparable prior periods, taking into account any known or expected changes. For example, we'll compare revenues and expenditures with comparable previous periods and balances, looking for unexpected variations

WEAVER ANALYTICS

Weaver Automation and Analysis is an internal data analytics team that uses advanced computerized data-analysis techniques to uncover irregularities that could indicate fraud, persistent or systematic errors and internal control weaknesses.

During financial audits, our team can analyze 100% of selected data in the areas of journal entries, payroll and disbursements. We can identify potential risk areas that may require further investigation by the audit team.

During previous engagements, our team has identified items such as bid splitting and nepotism, as well as opportunities to improve efficiencies in the disbursement process. Examples of key findings from other data analyses performed by Weaver Analytics include:

- Duplicate vendors in the master vendor file
- Duplicate invoice payments
- Concentrations in vendors and customers that may indicate fraud
- Payroll checks paid in the incorrect amounts
- Payroll checks paid to former employees
- Employee addresses that match vendor addresses
- "Ghost" employees and vendors
- Unusual overtime patterns

By adding fraud detection and operational compliance, as well as computer data acquisition and analysis, Weaver can provide insights on the best ways to improve the efficiency and effectiveness of your processes.

- Compare actual with anticipated results. For example, we'll make a budget-versus-actual comparison of revenues and expenditures
- Evaluate relationships among different elements within the period, such as receivables in relation to billings, or revenues in relation to costs
- Analyze financial information considering relevant nonfinancial information (growth, political changes, new regulatory requirements, etc.)
- Perform automated data analysis (data mining) using audit command language (ACL) and similar tools

Weaver typically pursues analytic procedures at depth in these areas:

- Salaries and benefits
- Depreciation
- Certain revenues and expenditures

Any unexpected variations are researched for explanations, and then corroborated by reviewing supporting information.

Phase 4: Financial Review and Quality Control

As fieldwork is nearing completion, the engagement partner will be onsite and will review the entire engagement, with particular attention to significant audit areas.

In addition, the draft report and work papers will be reviewed by the engagement technical review partner to determine the completeness with which the engagement has been performed. The auditor's review will determine whether judgments made by others are reasonable in relation to the supporting data and to generally accepted accounting principles, auditing standards and firm policy.

Weaver will review your Annual Comprehensive Financial Report during this phase. We utilize our engagement software mapped to your financial reporting schedules to link our trial balance database to your financial statements and supporting schedules for an efficient review.

This use of technology, combined with our experience reviewing hundreds of ACFRs, allows us to streamline the review process as balances can be easily verified and cross-checked quickly. We also provide feedback timely and focus primarily on material and impactful items, helping to present a quality and accurate document to the public while minimizing your time spent making non-substantive changes.

The ACFR will be reviewed by the engagement senior manager, and the engagement and technical review partner, who is a member of the GFOA Special Review Committee.

We'll discuss and confirm our findings with appropriate staff whenever we discover an area of potential concern. In addition, we'll review draft findings and recommendations with you throughout the engagement. At the reporting stage, there should be no surprises. Review and quality control tasks include:

- Engagement partner review of all work papers to ensure compliance with technical standards
- Technical review of all work papers
- Performing any final analytical procedures
- A client conference to review financial statements, the auditor's opinion and preliminary management letter comments
- Obtaining written representations from management

Weaver will create and maintain all necessary information and documentation, including accounting records related to services and payment for at least five years after the engagement. We'll also make available to any authorized representatives and their entities necessary, relevant information.

Phase 5: Reporting

Throughout the audit, if we become aware of irregularities or illegal acts, we'll make an immediate, written report of those acts to management.

After our internal reviews have confirmed the audit is complete, you've reviewed the draft reports, and we've incorporated your management responses and related information, Weaver will issue the final audit documents (printed copies and electronic files).

We'll issue all reports currently required by generally accepted auditing standards and any regulatory agencies, as well as issue any other reports subsequently required by these or similar entities following completion of the financial audit.

Weaver will present our findings to the parties you designate. At that time, we'll explain our findings, present practical recommendations for improvement (if needed) and answer your questions. The engagement partner and manager will also bring these reports to meetings as requested. This provides your leaders with the opportunity to ask questions directly and enables us to explain our recommendations and any unusual findings.

Weaver's Audit Insights are designed to convey the most essential results of the audit, without excessive accounting jargon. It also presents information on financial trends over time, strengths and opportunities and looming changes.

We'll ensure management are informed of the following information, as well as any other items required by audit standards:

- The auditor's responsibility under generally accepted auditing standards and government auditing standards
- Difficulties encountered in performing the audit
- Disagreements with management
- Major issues discussed with management prior to retention
- Management consultation with other accountants
- Management judgments and accounting estimates
- Other information in documents containing audited financial statements
- Significant accounting policies
- Significant audit adjustments

All working papers and reports will be retained for a minimum of five (5) years, unless the Weaver is notified in writing of the need to extend the retention period.

8. Sample Approach: h. Accounting and Financial Services

In Focus: Technical Support for Standards

Weaver can work alongside our clients to provide technical consultation on the new GASB standards. Our approach is designed to enable you to collaborate on technical matters throughout each phase of the implementation.

Weaver will perform the work at the direction of our clients, who will review and accept the work performed and, ultimately, make all decisions regarding your financial reporting. Weaver won't audit or express an opinion on the fairness of presentation of any portion of your financial statements or disclosures.

Each GASB standard will have its own complexities and nuances to implement. While we'll tailor each implementation to the needs, applicability and materiality to each client's financial statements, we've provided an example below of our approach, including key phases and activities, for GASB Statement No. 87, Leases.

Phase 1: Assessment

- Assist management with preparing a road map for project management and assessing the lease landscape after an entrance meeting
- Assist management in identifying significant leases by reviewing existing disclosures, recurring monthly expenses, and classes of expenditures/expenses that have an elevated exposure to the new standard; this will also include meeting with departments susceptible to entering into long-term contracts
- Assist management in evaluating significant classes of leases based on initial review of lease terms
- Assist management in documenting the evaluation of treatment of significant classes of leases under the new standard
- Assist management with evaluating the current processes, procedures, and internal controls in place for evaluating and tracking lease agreements
- Gain an understanding of the current IT systems in place for recording and maintaining lease contracts

- Documentation of a road map for implementation with key contacts identified and the timeline
- Documentation of the identified significant leases and a documented approach for review of significant classes of transactions that have an elevated exposure to the lease standard
- Documentation of the analysis of leases and the development of significant classes of leases
- Written commentary on initial review of lease contracts and their qualification for treatment under the new standard
- Documentation of the current process in place for lease abstraction and migration and highlight gaps or potential gaps in the process
- Documentation of the current IT systems in place

Phase 2: Design

- Assist management in evaluating significant lease contracts for their treatment under the new standard (GASB 87) and Implementation Guide No. 2019-3 Leases
- Assist management in developing an established approach for periodic lease accounting
- Review management's planned adjustments and financial statement presentation for initial adoption
- Review management's planned lease accounting disclosures under the new standard
- Assist management by participating in lease module demonstrations

- Checklists completed by Weaver evaluating a sample of significant classes of leases under the new standard
- Documentation of management's overall evaluation of lease contracts and conclusions on the treatment of significant classes of leases; documentation will also include management's technical accounting policy
- Evaluation of existing process documentation and recommendations to management for controls to address risks
- Written commentary on our review of management-developed adjustments and initial to be included in the AFR
- Written system requirements needed for a lease contract database with potential vendor questions

Phase 3: Implementation

- Assist management by providing guidance on needed system configuration and ensuring implementation teams conform
- Assist management by populating significant terms of leases into their lease contract database based on the recommended treatment of leases
- Assist management in reviewing the new system for sustainability and compatibility
- Assist management in transition process development and providing education materials and onsite training in the future

- Written commentary on lease database configuration and processes to populate lease database
- Populated and configured lease database based on management's instruction
- Written commentary on new system and its compatibility
- Documentation of the transition process and coordination of an education class on the new system for all applicable departments

Phase 1: Assessment

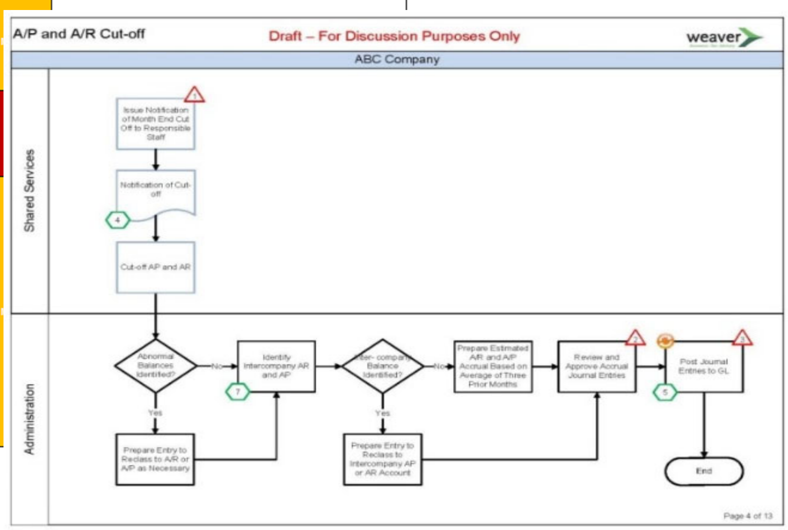
In the first stage, we'll assist management in gathering significant contracts to analyze the lease landscape.

We'll use the prior year note disclosure, but to gain even more comfort on the completeness of the population, we'll also look for reoccurring monthly payments, use data analytics to identify and analyze expenditure/expense accounts and meet with various department managers who may have lease contracts, but are unaware.

Once the lease landscape has been evaluated and significant leases have been identified, we'll assist our clients with determining the type of leases that have been identified and the lease terms. This information gathered while reviewing lease contracts will also be a key deliverable.

As we're assisting with gathering the contracts and documenting the lease terms, we'll seek to understand the current internal controls over the accounting process for leases. We'll document the current process flow and perform a data quality and gap analysis to determine how the processes and procedures can be improved.

Reference #	PFC Responsible Party	Observation / Issue Identified	Risk	Rating	Recommendation
PFC - ARO - 01	Property Accountant	**Annual Review:** Management is currently in the process of designing a control activity to evaluate whether the estimated useful lives and plugging and abandonment cost assumptions within Assent 143 are appropriate. However a formal control has not been implemented as of the date of this assessment	There is an increased risk that that ARO Liability is over / understated on the interim or annual financial statements.		
PFC - ARO - 02	Property Accountant	**Annual Working Interest / Well Validation:** The accuracy of the working interest data within Assent 143 is considered as part of the review and approval of ARO additions; however, there is not a formal process in place to update the interest information within Assent 143 to account for changes in the Company's ownership.	There is an increased risk that that ARO Liability is over / understated on the interim or annual financial statements.		
PFC - ARO - 03	Property Accountant	**ARO Rollforward:** The ARO balance sheet accounts are performed and reviewed monthly and the entries to record accretion expense and adjusted the ARO for current period activity (e.g. additions, sales, or P&A, etc.) are review and approved. However, a formal ARO Rollforward is not performed.	There is an increased risk that the ARO Activity and ARO Liability are not accurately reflected in the company's interim or annual SEC filings.		



Sample Flow Chart and Points for Consideration

During this stage, we'll also gain an understanding of the current system in place for recording and tracking leases and the data migration, and how it's loaded to/from systems. This will be an assessment of lease abstraction, lease migration, technology and software sufficiency.

After understanding the number and types of leases and the current processes and systems in place, we'll assist our clients in developing a road map for implementation, which will include the timeline, key players, and work plan for adopting GASB 87.

Phase 2: Design

In the second phase, we'll assist in drafting revised internal control policies and technical accounting policy documentation.

We'll also provide educational step-by-step guides for your employees, to use when our clients enter future complex lease contract scenarios.

As we review the current contracts and consider future contracts, we'll have accumulated a list of sample questions that you can ask current and future vendors when they're evaluating lease contracts, entering into new agreements, and researching internal technology solutions for capturing the accounting of their leases. During this stage of the project, we'll also review any system demonstrations for lease modules that our clients are considering or have already implemented.

As we approach the implementation phase of GASB 87, we'll assist in reviewing a draft of the note disclosures to be included our client's annual financial report (AFR) and the potential financial statement impact. We'll do this by using the literature in GASB 87, as well as authoritative guides such as *Implementation Guide No. 2019-3, Leases* and non-authoritative literature such as a disclosure checklist.

The key deliverables in this phase are documentation of the revised processes and procedures and documentation of the accounting policy, which will include the educational step-by-step guide for significant classes of the lease contracts.

Phase 3: Implementation

In the final phase, we'll train and provide assistance to management, as they deploy the revised processes as they relate to your lease accounting managed services, lease abstraction and lease migration.

Assisting with the transition process will be done as a coordinated effort with all applicable departments.

We'll provide initial drafts, as reviewed by management, to support our implementation efforts and the checklists and guides to sustain the implementation effort for years to come. These key deliverables will include the lease information gathered with references to the supporting accounting records, financial statement and disclosure checklists, and step-by-step guides to recording potential transactions in the future.

The technology solutions our client chooses will be reviewed for compliance with GASB 87. To sustain an effective lease process that is effective for years to come, we'll also provide education to your employees.

In Focus: AUP Methodology

Typically, our AUPs follow a three-phased approach:

Phase 1: Planning

The first step in any engagement is to develop a mutually-agreeable schedule, including identifying fieldwork timing and deliverable dates, which will serve as both a communications and monitoring tool as the engagement progresses.

As a foundational step in our engagement, we'll meet with management to establish a timetable that begins as soon as practical and achieves the engagement goals. During the planning stage of the engagement, we'll also identify relevant aspects of our client's internal control structure and key personnel we'll be working with.

We'll go over in detail the AUP steps that will be performed with management, and provide a Prepared by Client (PBC) listing of items we need that coincide with each procedure. We'll set up the client portal, deliverable dates for items requested, and interviews with key personnel.

Phase 2: Fieldwork

Weaver will perform the agreed-upon procedures and report in accordance with the AICPA "Statements on Standards for Attestation Engagements," the standards for attest engagements contained in "Government Auditing Standards — 2018 Revisions" issued by the Comptroller General of the United States, and Fiscal Rules promulgated by the State Controller.

Fieldwork includes interviews, reviewing requested documents, sampling procedures in accordance with AICPA sampling guidelines, and follow-up procedures, as well as multiple touch points and status meetings throughout this process.

Phase 3: Reporting

Reports will be developed based on AICPA "Statements on Standards for Attestation Engagements."

Our firm quality control standards require all agreed-upon procedures reports to be reviewed by a manager and a partner in order to ensure the engagement procedures performed meet these requirements. By the Reporting stage, our client will be familiar with the results of the procedures and any recommendations to be made. Weaver prides itself on a "no surprises" approach. A draft report will be provided management for review, followed by an exit conference and final report issuance and presentation, as needed.

9. Sample Approach: i. Managerial Advisory Services

Managerial Advisory Services are often more about **doing what you do now *better and more efficiently***, rather than doing something new. This means it's absolutely critical that our clients, who know their organization, its history, and where it's going, are the owners of the transformation.

We'll work with our client's team to develop project plans that align across vendors, teams, and other stakeholders to realistically, but rapidly, implement change via robust change management, training and documentation.

A large component of these engagements is the efficiency that arises from technology. Weaver has the professionals to assist in understanding and assessing technology functions and identifying areas for improvement to reduce risk and to gain efficiency, including moving to the cloud.

We help define the benefits and costs around a change, build desire among stakeholders in preparation for the change, and establish a sustainable systems by setting up stakeholder groups and a management structures to **monitor the change and adjust over time**.

Our focus is on understanding stakeholders and their professional knowledge, and working with them to improve and enable their processes. In understanding each client's needs, we typically engage several groups.

- Front-line staff and managers, **who know the business up close**
- Customers and clients, **who feel the impacts of the operation**
- Executives and other leaders, **who have aspirations and ideas for the process**
- Experts and other professionals, **who have experience designing and executing the processes**

Our approach is to consistently make improvements a win-win for all involved. We constantly work with those impacted by changes to maintain their excitement around the improvements and ensure that feedback flows across teams to address user issues. As part of our work, we'll typically lead a process of fully diagramming the business processes involved. This gives the team a common, agreed-upon starting point and a framework for discussion throughout the project.

Using these maps, and a knowledge of potential tools in the marketplace, our team can conduct Human-Centered Design sessions with stakeholders to create new processes, informed by best practices and focused on customers. In conducting these sessions, we take a focus on "value add at each step" looking for the value each step creates and honing in at maximizing that while minimizing resources.

We're deeply cognizant that process improvement is not a rote and cold process — efficiency doesn't always need to rule. There are times when processes may require a more human touch or more involvement than is minimally necessary.

We help your team quantify and understand these areas to ensure that processes are efficient, but also fully incorporate "the human touch." Typical outputs of our activities with you could include the following:

- Current and re-designed process flows
- Service catalogs
- Job profiles and descriptions
- Service level agreements
- High-level requirements and design documents

Our Change Management Philosophy

Change management is the application of a structured process and proven, actionable steps that lead stakeholders through the journey to achieve a desired outcome.

Weaver recognized a successful change effort must be managed. No matter whether you are designing new work processes, implementing new technologies or transforming the organization, intentional actions help ensure achievement.

Access Current & Future States

- Identify and group everyone impacted by the upcoming change
- Thoroughly document the present state, impacts and perceptions through interviews, surveys, focus groups, design sessions and desk research
- Document an understanding of how those impacted perceive the change and their feelings about it, especially their willingness to change
- Document the future state – typically using design sessions, interviews, and focus groups – and assign timelines
- Create tools to measure progress toward the future state, including completion criteria for a common picture
- Assign roles for change management team members

Chart a Course to Future State

- Change Management Team develops an agreed-upon understanding of the gaps between the current and future states
- Align known gaps to activities of the overall project – determine how to bridge the gap from current to future
- Determine the needs to manage and drive the transition from current to future state
- Design a program of activities such as training, user sessions, "meet and greets," hands-on opportunities, etc. to prepare people for the change
- Design an engagement strategy that includes listening to and designing with those impacted by the change
- Determine tools needed to facilitate and root the change; this typically involves close coordination with other teams that produce and own tools such as documentation, manuals, job aids and trainings

Facilitate the Change

- Communicate changes and impacts, with emphasis on communicating proactively with those impacted
- Listen to and engage with those impacted throughout the process, using design sessions, workshops, surveys and focus groups to monitor and adapt – change must be fluid
- Build and nurture relationships across teams to coordinate change, with a special focus on training teams
- Monitor adoption closely with those impacted, and work with relevant teams to adjust training approach, tools and schedule to ensure a solid change
- Ensure equity in the change process by engaging all impacted on the best terms and spaces for them

Learn and Adapt

- Using pre-established goals, monitor progress toward change
- Engage those impacted to assess change uptake, and work with them to understand risks, issues and opportunities
- Adjust approaches as needed; this will often require intense collaboration with other teams to produce new and updated materials and content
- As needed, adjust project timeline in collaboration with project sponsors and leadership team

Root the Change for Ongoing Success

- Handoff ongoing change management to client team. Provide briefings and training as needed to ensure a smooth handoff for all those impacted by the change.
- Work across teams to ensure that any ongoing issues and concerns from those impacted are understood by all teams and are included in ongoing operations.
- Ensure that all files and tools are organized and handed off to owners for ongoing updates.
- Ensure solid communication channels are in place between those impacted and ongoing team. Equip ongoing team with engagement techniques such as design thinking techniques.

6.1 Contract Manager and Customer Services

Contract Manager Point of Contact	
Name	Alyssa Martin, CPA | National Strategy Leader, Large Market and Public Entities
Office Phone #	832.320.7975
Mobile Phone #	214.354.1337
Email	alyssa.martin@weaver.com

Customer Services Point of Contact	
Name	Todd Hoffman | Partner, Government Consulting Services
Office Phone #	832.320.3244
Mobile Phone #	917.664.6188
Email	todd.hoffman@weaver.com

e) Attachment A: Cost Proposal

Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Attachment A-Pricing Submittal**.

f) Attachment D: HUB Supplemental Vendor Information

Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Attachment D-HUB Supplemental Vendor Information**.

g) Attachment E: Customer Reference Form

Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Attachment E-Customer Reference Form**.

h) Attachment F: Location of Workers Utilized by Vendor

Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Attachment F-Location of Workers Utilized by Vendor**.

i) Certification and OMB Standard Form LLL

Please see separate attachment, **RFP# DPC-646236801-MT – Proposal Response – Weaver – Certification for Federal Contracts, Grants, Loans & Cooperative Agreements.**

j) Vendor's Response and Documentation

a. Legal Right to Practice in the State of North Carolina

Please see **d) Proposal, 4.6 Legal Right to Practice in North Carolina**.

b. External Review and Regulatory Action

Please see **d) Proposal, 4.7 External Reviews and Regulatory Action**.

c. Financial Statements

Please see **d) Proposal, 4.8 Financial Statements**.

Proposal Number DPC-646236801-MT

ATTACHMENT A: PRICING FORM

CONFIDENTIAL

COST SCHEDULE

Vendor shall provide its best hourly rates in the form of base rate and upper rate for an auditor, audit supervisor and audit executive in the appropriate columns provided below or a duplicate of this form. For staff, supervisor, and executive descriptions, see Section 4.9 of the RFP.
This table captures audit staff compensation rates only and does not include travel or related business expenses. All travel and business expenses, if any, will be subject to North Carolina state travel guidelines and https://www.osbm.nc.gov/budget/budget-manual

					OTHER PROFESSIONAL STAFF		
Services Category	**Staff Base Rate**	**Staff Upper Rate**	**Supervisor**	**Executive**	**Senior Manager**	**Director**	**Senior Advisor**
Operational/Performance Audit	$160	$210	$250	$400	$290	$340	$350
Investigative Audit	$190	$240	$250	$400	$325	$350	$375
Compliance Audit	$160	$210	$250	$400	$290	$340	$350
Information System Audit	$175	$225	$250	$400	$290	$340	$350
Risk Assessment and Audit Plan	$160	$210	$250	$400	$290	$340	$350
Development	$160	$210	$250	$400	$290	$340	$340
Financial Audit	$160	$210	$250	$400	$290	$340	$340
Data Analytic Services	$160	$210	$250	$400	$290	$340	$350
Managerial Advisory Services	$160	$210	$250	$400	$290	$340	$340
Accounting Services	$160	$210	$250	$400	$290	$340	$340

REQUEST FOR CLARIFICATION

Issuing Agency:	Division of Purchase and Contact
Solicitation Number:	DPC-646236801-MT
Solicitation Description:	Supplemental Internal Audit Services
Date:	September 28, 2023
Contract Administrator:	Melinda Tomlinson

I. INSTRUCTIONS

1. Vendor should respond with a signed, completed version of this Request for Clarification via the Sourcing Tool by **Tuesday, October 3, 2023**.
2. Review the table below and the items for which the State is seeking clarification.
3. Provide any additional information requested in the clarification column.

II. ITEMS REQUIRING CLARIFICATION

Clarification #	Response Section/Item	Clarification	Vendor Explanation
1	Proposal	Your proposal indicates work will be done outside of the US (India). Will any NC data be stored outside the US? ☐ YES ☑ NO	Our India resources perform all work within virtual desktops that are hosted within the U.S. Any applications accessed from these virtual desktops are also hosted in the U.S.

III. VENDOR'S AUTHORIZED SIGNATURE

Vendor Name:	Weaver and Tidwell, L.L.P.
Authorized Signature:	Alyssa Martin
Name & Title:	Alyssa Martin, CPA | National Strategy Leader, Large Market & Public Entities
Date:	September 29, 2023