

**AUDIT PROPOSAL  
AND  
COMMITMENT TO SERVE**

**Florida Health Maintenance Organization Consumer Assistance Plan,  
Florida August 27, 2021**

**BY:**

**Moran and Smith CPA LLP  
CERTIFIED PUBLIC ACCOUNTANTS**

**2260 Wednesday Street, Ste 400, Tallahassee, Florida**

## TABLE OF CONTENTS

<b>INTRODUCTORY SECTION</b>	<b>PAGE</b>
Letter of Transmittal	3
<b>Executive Summary Proposal</b>	
Independence	4
License to Practice in the State of Florida	4
Firm Qualifications and Experience	4
Partner, Supervisory and Staff Qualifications and Experience	4
Continuing Professional Education	5
Similar Engagements	5
Quality Control Review	5
Federal and State Desk Reviews	5
Conflict of Interest	5
Subcontractors	5
Firm Identifying Information	5
Audit Work Plan	6
<b>Cost Proposal</b>	6
<b>References</b>	7
<b>Resume</b>	8

To the Board of Directors, Plan Manager,  
Florida Health Maintenance Organization Consumer Assistance Plan  
Bruce Platt, Plan Manager  
201 E. Park Ave Suite 300  
Tallahassee, Florida 32301

Dear Mr. Platt:

We appreciate the opportunity to present Moran & Smith LLP Certified Public Accountants to you. We would take great pride in being re-engaged as auditors for the Florida Health Maintenance Organization Consumer Assistance Plan (the Plan). We have received the Request for Proposal and understand the scope of the work to be performed and give you our commitment to meet or exceed the performance specifications contained in the Request for Proposal.

We believe that our combined experience in serving as your auditor for the past years provides us with unique insight and ability to serve as your CPA's. Our firm's managing partner, Chris Moran, has worked at all levels of responsibility as the audit partner in charge of your audit as well as with dozens of local governments and other not for profits over the past 20 years.

We have reviewed all the requirements of the audit RFP and we feel confident we can meet all requirements.

The most important ingredients in our service to clients are the professionals comprising the engagement team. Due to the small size of our firm, Mr. Moran will personally be working on all aspects of the job. We have the additional help necessary to complete the assignment in a timely manner. We are confident that our experience of working on your audit for the past 10 years will bring an element of professional expertise that will assist The Florida Health Maintenance Organization Consumer Assistance Plan in all areas of its accounting. As a result of this philosophy, we take great pride in our record of service to our clients and, if retained, we will demonstrate this philosophy in our relationship with The Florida Health Maintenance Organization Consumer Assistance Plan.

Again, we appreciate the opportunity to present this commitment to serve you and look forward to our continuing relationship with The Florida Health Maintenance Organization Consumer Assistance Plan if we are selected as your Auditors. If we can supply you with additional information or discuss this commitment further with you, we will be available at your convenience. Respectfully submitted

*Chris Moran*

Christopher H Moran CPA  
Moran & Smith LLP

## Executive Summary Proposal

### **Independence**

The Firm represents that they are independent of the Florida Health Maintenance Organization Consumer Assistance Plan. The Firm has not performed any engagements with the Florida Health Maintenance Organization Consumer Assistance Plan in the past five years that would impair independence, and we have not performed any engagements with any related organizations or with any board member's organizations.

### **License to Practice in the State of Florida**

The firm of Moran & Smith LLP and Christopher H. Moran, CPA, and Randall W. Smith CPA are licensed to practice accounting in the State of Florida.

### **Firm Qualifications and Experience**

The Firm's primary area of practice is auditing. The audit department has met the continuing education requirements for auditing governmental entities required by the GAO. The mission of the firm is to achieve technical excellence which can be used to provide the highest level of quality service to our clients.

The Firm's audit department members are familiar with governmental and nonprofit accounting and auditing and will not need training from your staff; this includes an understanding of fund structures and the accounting issue the Plan faces. The audit staff has extensive experience with computers and utilizes notebook computers in the field, equipped with Windows, Microsoft Word and Excel. They are also familiar with most other word processing and spreadsheet software and a wide variety of accounting software packages.

The Firm's practice is diversified, rendering all the services customarily identified with accounting firms.

### **Partner, Supervisory and Staff Qualifications and Experience**

The firm of Christopher H. Moran CPA LLC was formed in June 2004. Mr. Moran was employed with Purvis Gray and Company beginning in 1987 and was a partner there from 1996 until he left in 2004. In September 2011, the firm was merged into a new partnership along with Randall W. Smith CPA, the new firm is licensed as Moran & Smith LLP and is currently licensed to perform audit, accounting, consulting and tax services.

Moran and Smith CPA LLP has implemented a system of quality controls, as documented in the firm's Policies and Procedures Manual and as stated in our professional standards. These controls include maintaining the confidentiality of information obtained from clients. The Firm takes this responsibility very seriously and this responsibility will be applied to any matters related to this engagement. Additionally, the system of quality controls includes provisions for appropriate hiring, education, supervision, independence, internal and external review, among many other procedures for maintaining the Firm's quality and service to clients.

Mr. Moran was an audit partner, as well as partner in charge of an office for eight years, and has managerial experience for the past 20 years. Mr. Moran has been in charge of all aspects of numerous local governments and not for profit audits for over 20 years. He will be the partner on your audit team and will fully participate in all phases of the audit. He will be present during planning and field work, as well as at exit conferences and presentations.

The firm has other staff accountants that will perform certain functions on the audit, including data entry, and overall computer file maintenance.

Christopher H. Moran CPA LLC is a member of the AICPA. The Firm places high priority on its quality control. Peer review requirements state that a CPA must have a peer review performed every three years. The firm is in compliance with all peer review requirements.

### **Continuing Professional Education**

All staff working on the Plan audit have all the required continuing professional education.

### **Similar Engagements with Other Government Entities**

The Partner in Charge of the audit, Mr. Chris Moran CPA, is responsible for the audit of the Florida Health Maintenance Organization Consumer Assistance Plan, the City of Quincy since 2013, Liberty County since 2009, Apalachee Regional Planning Council since 2013 and was responsible for the following clients from 1996 thru 2004: Florida Institute of CPAs, Florida Home Builders Association, Florida Bankers Association, and numerous other not for profits in Florida.

### **Quality Control Review**

The firm of Moran and Smith CPA LLP has a current peer review report.

### **Federal and State Desk Reviews / Public Entity Crimes**

The firms, along with the prior firms of both partners have never had any federal or state reviews of any governmental audits, and have no instances of any type of disciplinary action taken or pending. We have no instances of any convictions or charges of any kind related to a public entity crime.

### **Conflict of Interest**

The firm has no conflict of interest with the Florida Health Maintenance Organization Consumer Assistance Plan.

### **Subcontractors**

The firm will not use any subcontractors on the Florida Health Maintenance Organization Consumer Assistance Plan audit.

### **Firm Identifying Information**

The firm operates as a partnership licensed in the State of Florida. Our Office is located in Quincy, Florida. Our mailing address for all partners is 2260 Wednesday Street Ste 400 Tallahassee, Florida 32301. Our federal employer identification number is 45-2773421. We are financially able to meet perform all the functions outlined in the RFP for audit services. All employees and partners are registered and licensed to practice in the state of Florida. Partner in charge Chris Moran state license number AC0015204.

## **Audit Work plan**

Our firm uses a totally paperless approach using a software package designed for audits.

For the Florida Health Maintenance Organization Consumer Assistance Plan, our plan would involve the following basic schedule:

- Mr. Moran would visit the Plan Manager's office for a preliminary meeting. This would involve gathering all the permanent file documents, trial balances, as well as interviewing your accounting staff about basic controls and risk assessments. This would involve a few hours.
- The next week we would spend the entire week working on setting up schedules, trial balances, draft audit report, completing internal control questionnaires, evaluating risks, designing the audit programs, and preparing confirmations. We would come back out or contact your accounting staff to provide us with any additional information we need to complete field work. We would finish the audit steps of the audit program, review all required source documents, etc.
- The next week, we would finish up work papers, post adjustments, and prepare draft reports. We would also complete a draft of the Federal Tax Return 990 and any other required reports.
- The next week we would like to have a sit down exit conference with staff and management, review the draft audit report. We would also wrap up any loose ends as far as items needed and complete our work paper review.
- It would be our preference to start the process as soon as possible after year end; we understand from past experience that you have your books closed out by the end of January.

We are a small firm, but we are not using inexperienced staff, we are only using experienced partners. We are confident that this will enable us to perform at a much higher level of expertise, which will reduce your staff's time involved in helping us.

## **Cost Proposal**

We will perform the audit, issue all reports and attend any exit conferences or audit presentations, and the preparation of all required tax returns, including Form 990.

Our fee for the 2021 year end audit and all tax return preparation will not exceed \$7,500 per year. We also agree to provide the same services in future years with an annual fee increase tied to the consumer price index.

## **References**

Kathy Brown  
Clerk of the Circuit Court  
Liberty County, Florida  
PO Box 101  
Bristol, FL 32321  
850-643-5404

Jack McLean  
City Manager  
City of Quincy, Florida  
850-618-0030

Chris Reitow  
Executive Director  
Apalachee Regional Planning Council  
2507 Callaway Road,  
Tallahassee, Florida 32303  
850-488-6211

RESUME

**Name:** Christopher H. Moran

**Office Location:** Tallahassee

**Position in Firm:** Audit Partner

**Educational Credentials:** Graduated Florida State University, 1981, BSBA

**Professional Credentials:** Received CPA Certificate in 1985, Member AICPA

**Years in Accounting:** 30+

**Work Experience**

**Moran & Smith LLP**

10/11 – Present  
Partner

**Christopher H. Moran CPA LLC**

07/04 – 09/11  
Partner

**Purvis Gray and Company CPA**

07/87 – 06/04  
Partner

**T. Michael Tucker CPA**

12/84 – 06/87  
Staff Accountant

**GENERAL GOVERNMENT EXPERIENCE**

<b>ENGAGEMENT</b>	<b>DATES</b>	<b>POSITION</b>
Florida HMO Consumer Assistance Plan	2008 to Present	Partner
City of Quincy	9/13 to present	Partner
Liberty County, Florida*	9/09 to Present	Partner
Liberty County, Florida*	9/89 to 6/04	Partner
Gadsden County, Florida*	9/87 to 6/04	Partner
Town of Altha, Florida*	9/86 to 6/04	Partner
City of Jacob City, Florida	9/88 to 6/04	Partner
Northwest Florida Water Management District*	9/90 to 9/93	Manager
Calhoun County, Florida Schools Internal Accounts	1984 to 1988	Manager
Town of Greensboro, Florida*	9/95 to 6/04	Partner
Calhoun County, Florida*	9/84 to 9/86	Senior