Gabridge & Co.

RESPONSE TO REQUEST FOR PROPOSAL

Third-Party Accounting Services

Macatawa Area Express Transportation Authority

Solicitation RFP_F-MAX-0000000018-KR

October 9, 2026

One accountable finance team. MAX retains control.

Dependable payroll and payments, reconciled grant reporting, timely Board information, and documented backup coverage - delivered within MAX's existing BS&A environment.

PROPOSED SERVICE	PROFESSIONAL FEE
Annual recurring services - initial annual rate	$249,500
One-time transition and implementation	$25,000
Annual increase - recurring services only	3%
Recurring billing begins	January 1, 2027
Term	Three years from Notice to Proceed; two one-year options

Submitted by Joe Verlin, CPA, CGFM

Principal in Charge - Audit Services
Gabridge & Company, PLC
3940 Peninsular Drive SE, Suite 200 | Grand Rapids, MI 49546
(616) 328-6275 | JVerlin@Gabridgeco.com

Annual rates are full-year equivalents. Initial contract-year billing is prorated for the January service start. Transition is billed only after completed milestones. Detailed pricing and workbook reconciliation appear in Sections 8-9.

Letter of transmittal

October 9, 2026
Kait Riegling, Procurement Coordinator / Grant Specialist
Macatawa Area Express Transportation Authority
171 Lincoln Road, Suite 20
Holland, MI 49423

Dear Ms. Riegling and Members of the Evaluation Committee:

Thank you for the opportunity to propose on MAX's third-party accounting services. Our August 27 RFI response described a single accountable team, a careful transfer of City of Holland knowledge, and financial information that is useful throughout the year. This proposal carries those commitments forward and incorporates MAX's subsequent answers about workload, systems, approvals, grant activity, payroll, and on-site participation.

MAX does not need an unnecessary system conversion or an accounting model that depends on one individual. It needs continuity as the City concludes most services, reliable execution of recurring obligations, and a finance team that can explain what the numbers mean. We will work within BS&A Cloud and the existing UKG Ready timekeeping workflow, document the critical processes, and provide named leadership and backup coverage. MAX will retain payment, payroll, grant-draw, policy, and financial-report approval authority.

Richard Neihardt will lead day-to-day accounting and controller services. Sandra Toribio will lead payroll-process support, with Andrew Wilcoxen providing governmental and grant-reporting expertise, Matt Holland providing management backup, and Lauren Chatterton providing an independent second-person review of significant reporting matters. I will remain directly involved in service oversight, technical questions, escalation, and communication with MAX leadership.

Our fixed recurring fee is $249,500 at the initial annual rate, billed monthly beginning January 1, 2027, plus a $25,000 one-time transition fee billed as implementation milestones are completed. Recurring fees increase 3% annually. The 1,600 hours in MAX's workbook are an evaluation assumption, not a service cutoff: ordinary additional effort needed to complete the agreed scope is our responsibility. Material scope or workload changes require advance written agreement before additional charges.

We are prepared to mobilize for the anticipated November 2 start following an executed Notice to Proceed, preserve the City's leadership of the FY2026 close and audit, and assume the transferred recurring functions by January 1. Our transition includes parallel validation, documented approvals, and follow-through after cutover. We will attend the required monthly Board meetings in person and provide reports in time for the Board packet.

This offer remains valid for at least 60 days after the October 12, 2026 submission deadline. I am authorized to bind Gabridge & Company, PLC to this proposal. We appreciate MAX's thoughtful clarifications and would welcome the opportunity to become a dependable long-term accounting and advisory partner.

Very truly yours,
Gabridge & Company, PLC

/s/ Joe Verlin

Joe Verlin, CPA, CGFM
Principal in Charge - Audit Services
Electronically signed October 9, 2026

Contents and response guide

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RFP Section 2 cross-reference

REQUIRED PROPOSAL INFORMATION	RESPONSE
1. Firm, ownership form, offices, and experience	Sections 1-2
2. Licenses, credentials, and DBE status	Section 1; Appendix A
3. Comparable scope, value, duration, and GASB experience	Section 2; accompanying Engagement Experience Schedule
4. FTA/NTD/TrAMS experience and Single Audit/SEFA support	Sections 2 and 4
5. Staffing, delivery approach, escalation, and backups	Sections 4-6; Appendix A
6. Systems, data security, confidentiality, and controls	Sections 4 and 7
7. No more than three comparable references	Section 2
8. Total cost, itemization, transition, timeline, and hours	Sections 5-6 and 8-9; pricing workbook

Accompanying submission documents: completed pricing workbook; RFP certification and bidder forms; Financial Capability Statement and Engagement Experience Schedule; insurance evidence and other firm disclosures required by the solicitation.

Proposal basis: MAX RFP issued September 21, 2026; Questions & Answers - 1, questions dated September 30-October 5; RFP Questions Responses (18 emailed questions); Gabridge's August 27 RFI; September 30, 2025 audited financial statements; approved staff profiles and peer review. MAX's clarifications are reflected in the scope and pricing below.

1. Firm qualifications and professional standing

Gabridge & Company, PLC is headquartered in Grand Rapids and has operated under its current legal name since 2006, a 20-year history. The firm has provided audit services to transit authorities for 16 years. We serve more than 270 governmental and nonprofit audit clients and have approximately 30 personnel. That experience informs the accounting, reporting, control and compliance support proposed for MAX.

FIRM INFORMATION	RESPONSE
Legal and ownership form	Gabridge & Company, PLC; Michigan professional limited liability company
Headquarters / office serving MAX	3940 Peninsular Drive SE, Suite 200, Grand Rapids, Michigan 49546
Additional firm resources	Traverse City, Michigan
Authorized contact	Joe Verlin, CPA, CGFM | (616) 328-6275 | JVerlin@Gabridgeco.com
Licensing	Michigan CPA firm license 1102003267; expires July 31, 2027. Assigned CPAs hold applicable professional licenses.
Professional credentials	CPA; CGFM; AICPA Advanced Single Audit credential; PHR; SHRM-CP, as identified by professional in Appendix A.
DBE status	Not currently DBE-certified. No subcontractors are proposed.
Delivery location	United States-based delivery through Gabridge personnel.

Quality that supports daily accounting

The service model separates preparation from review for higher-risk transactions and reports. Richard owns the monthly close and open-item process; Sandra addresses payroll exceptions and reconciliations; Andrew supports grant and governmental reporting; and Lauren provides review independent of the preparer. Joe resolves material judgments and service issues. This is internal quality review, not an independent audit opinion.

Our external peer review, dated March 24, 2025, covered the accounting and auditing practice for the year ended June 30, 2024 and resulted in a pass rating. Government Auditing Standards and Single Audit engagements were included. The full report is provided in Appendix B. The peer review relates to the accounting and auditing practice; it is not a certification of MAX's future outsourced operations.

Professional standing and insurance

Gabridge maintains accountants' professional liability and cyber liability coverage. Insurance evidence is a separate submission attachment. We recognize the RFP's commercial general liability minimum of $1 million per occurrence and $2 million aggregate and its workers' compensation and other applicable insurance obligations; actual policy limits are evidenced by the certificates, not inferred from this proposal.

Sources: firm information confirmed October 9, 2026; attached Michigan CPA firm license; August 27 RFI; staff profiles; March 24, 2025 peer review; RFP Section 4 and emailed response Q16. Ownership, receipts and NAICS appear on the bidder form.

2. Comparable experience and references

Our recurring Michigan transit engagements involve governmental financial reporting, transit revenue and expense schedules, federal and state awards, capital assets, and oversight coordination. They provide relevant accounting and audit-readiness experience for MAX. We distinguish that experience from claiming that we already operate MAX's specific grant portals: those access, preparation, review, and submission workflows will be mapped and validated during transition.

COMPARABLE CLIENT / SCOPE	REFERENCE
Ludington Mass Transportation Authority Recurring annual governmental financial audit; transit schedules and federal/state funding environment.	Joye Samuels, Office Manager (231) 845-1231 transit@lmta.us
Cass County Transportation Authority Recurring annual governmental financial audit; transportation funding, grant documentation, governmental reporting, and controls.	Gerry Bundle, Director (269) 445-2455 gerry.bundle@ccta-mi.org
Branch Area Transit Authority Recurring annual governmental financial audit; transit operations, MDOT/FTA-related funding, capital assets, and reporting.	Kara Derrickson, Director (517) 279-8671 branchtransit2020@gmail.com

Each of these three authorities has been a Gabridge client for 10+ years and is billed $15,000-$20,000 annually, depending on audit scope. The accompanying Engagement Experience Schedule provides the same disclosures. These are audit engagements, not identical outsourced finance contracts.

How the experience transfers to MAX

EXPERIENCE	APPLICATION TO THIS ENGAGEMENT
Governmental fund and government-wide reporting	Reconciled fund statements, budget monitoring, conversion entries, disclosures, and complete year-end support.
GASB implementation	Experience with GASB 87, 96 and 101; continuity of the FY2026 GASB 103/104 implementation reflected in MAX's opening records and subsequent reporting.
Federal awards and SEFA	Trace grant expenditures, draws, receivables, and reporting to the ledger; maintain the evidence needed by the independent auditor.
FTA / MDOT reporting support	Apply transit-accounting experience to MAX-specific ECHO, TrAMS, ProjectWise, PTIMS, NTD, FFR and progress-report workflows after documented handoff.
BS&A and finance-office advisory	Use existing system capabilities, practical reconciliations, procedure documentation, and management explanations rather than unnecessary system replacement.

Sources: August 27 RFI, pp. 7-11; 2026 reference list; staff profiles; engagement fees and tenure confirmed October 9, 2026. Contact emails are those supplied in the RFI.

3. Understanding MAX and the transition

MAX serves Holland, Zeeland, Holland Charter Township, Zeeland Charter Township, and Park Township through fixed-route and/or demand-response transportation. Its approximately $7 million operating budget, roughly 75 employees, and September 30 fiscal year combine routine accounting with specialized federal and Michigan transit reporting.

CONFIRMED OPERATING FACT	OUR RESPONSE
City effort: approximately 194 routine hours per month, plus certain specialized and year-end work.	Plan delivery capacity independently of the workbook's 1,600 comparison hours; use clear task ownership and backup coverage.
BS&A Cloud is owned by MAX; UKG Ready supports timekeeping.	Validate access and interfaces; retain BS&A as the accounting and payroll system of record.
Approximately 71 non-card AP transactions, 44 credit-card transactions and two AR billings monthly.	Use repeatable processing and review schedules, with normal monthly variation included.
Two bank accounts; one is being closed. One current monthly bank reconciliation.	Confirm the closure, reconcile all active accounts, and retain closure and opening-balance evidence.
Biweekly payroll; no bargaining units. MAX retains leave administration and benefit enrollment.	Perform full-cycle payroll and financial reconciliations using MAX-approved changes; do not duplicate MAX's retained HR decisions.
Three open federal grants with matching state grants; additional state operating support; likely three more grants in FY2027.	Include the disclosed award growth in planning and establish an integrated draw and reporting calendar.
One GASB 87 lease; no current GASB 96 assets; no historical 1099s reported.	Maintain the lease schedule and review new arrangements and vendors for future accounting/reporting needs.

Community investments and financial priorities

MAX reports that electric and propane buses and charging infrastructure are fully grant-funded. The West Shore Mall relocation involves separate local and grant-funded phases, including MDOT IPAF and anticipated FY2027 funding. We will track costs, funding sources, reimbursement status, and remaining commitments by project so leadership can understand both project progress and cash timing.

MAX reported no finance-related findings from its 2026 Triennial Review. Our approach is to preserve effective practices and improve continuity, not to presume a compliance failure. The prior audit's fare-reconciliation observations reinforce the value of linking fare activity, deposits, and ledger postings consistently.

Sources: RFP, pp. 3-5; emailed responses Q4, Q6, Q8, Q10 and Q12; portal Q&A Q3-Q8 and Q11; FY2025 management letter. Project descriptions reflect MAX's answers, not independent funding assurances.

4. Service approach

Richard will manage one monthly close checklist covering the ledger, supporting schedules, exceptions, review evidence, and reporting deadlines. Work remains in BS&A, supported by secure documentation and a current open-items log. The objective is a repeatable close, not year-end reconstruction.

FUNCTION	DELIVERY AND CONTROL
General ledger and chart of accounts	Maintain funds, activities, accounts, and grant/project coding; prepare supported recurring and adjusting entries; obtain MAX approval for significant changes and entries.
Accounts payable and credit cards	Process approved invoices and card activity, validate coding and support, identify duplicates, reconcile vendor balances, and prepare payment batches for MAX authorization.
Cash receipts and receivables	Post cash receipt and bank-deposit information in BS&A using MAX's on-site records; prepare billings and reconcile receivables and collections. MAX retains physical receipting and custody.
Cash and account reconciliations	Reconcile each active bank account and relevant clearing, receivable, payable, grant, payroll, and benefit control accounts; assign and follow up reconciling items.
Capital assets and depreciation	Maintain additions, disposals, useful lives, depreciation and grant-funded asset support, coordinating BS&A with PTIMS and Fleet Maintenance Pro records.
Leases and subscriptions	Maintain the current GASB 87 schedule and screen new contracts for GASB 87/96 treatment; prepare required entries and disclosure support.
Vendor tax reporting	Review vendor tax information and prepare required 1099 reporting when applicable, notwithstanding the absence of historical forms.
Monthly, quarterly and annual statements	Prepare financial reporting at the appropriate period-end level, including annual GASB financial statements, government-wide adjustments, notes, and schedules for management approval.

Board reporting that is ready to use

The monthly package will include fund financial information, budget-to-actual results, significant variances, cash and grant-receivable status, capital commitments, and a brief narrative of decisions or follow-up items. We will work backward from the fourth-Monday Board meeting and provide the packet 7-10 days beforehand, subject to timely source information and MAX review.

Monthly reconciliations and a reporting cutoff will support that timetable. The annual system close remains separately controlled; we do not interpret MAX's statement that the system is closed annually as a reason to defer monthly account reconciliation.

Sources: RFP, General Ledger scope; portal Q&A Q3-Q4 and Q10-Q11; emailed responses Q6-Q8, Q10 and Q12. Reporting presentation and close tools are proposed service commitments.

4. Service approach

Andrew will support Richard in connecting each grant's award terms, expenditures, match, draws, receivables, reports, and SEFA treatment. A grant master file and reporting calendar will identify the preparer, reviewer, MAX approver, due date, and evidence of submission for every recurring requirement.

WORKSTREAM	PROPOSED EXECUTION
Grant accounting and cost allocation	Maintain award-level coding and reconciliations across federal, state and local funding. Review costs against award budgets, periods and restrictions; prepare supported allocations and indirect-cost/cost-allocation-plan assistance required by the RFP.
Federal draw preparation and entry	Prepare and reconcile draw packages; obtain MAX authorization before system entry or release. Follow the Q&A's ECHO draw process and maintain related TrAMS award/Treasury information required for MAX's reporting.
State reimbursement	Prepare supported draw requests and records in ProjectWise/PTIMS, reconcile amounts to the ledger and receipts, and obtain MAX approval before submission.
FFRs and progress reports	Prepare and enter required financial reports and coordinate the accompanying progress information with MAX's grant/operations personnel. Use MAX approval as the submission control.
MDOT quarterly and annual reporting	Compile and enter quarterly financial information in PTIMS; prepare reconciled annual OAR/BPT schedules, operating-assistance support and post-audit updates.
NTD financial information	Compile annual NTD financial data and the periodic financial inputs described in MAX's reporting calendar. Reconcile to the financial records; MAX remains the final approver and submitter where required.
Monitoring and closeout	Track balances, match, reimbursement aging, due dates, closeout requirements, and financial compliance exceptions under the RFP's FTA, Uniform Guidance, and MAX-policy framework.

Specific attention to MAX's capital and operating funding

The base scope includes the three currently open federal awards and matching state awards, existing state operating funding, and the three additional grants disclosed as likely in FY2027. Normal award setup and reporting for that disclosed growth are included; their arrival is not, by itself, an additional-fee trigger.

For the West Shore Mall phases, fleet replacements, and charging infrastructure, we will maintain distinct project/funding records and identify commitments, unreimbursed costs, and funding decisions. Eligible/ineligible operating costs and capital-funded operating activity will be reconciled before MDOT reporting and year-end audit support.

Sources: RFP, Grant / FTA scope; portal Q&A Q6-Q8; August 27 RFI, p. 9. Final award-level access and deadline details will be captured from MAX and the City during the authorized handoff.

4. Service approach

Accounting and audit preparation - not an independent audit

Gabridge will prepare records, statements, schedules and responses. MAX retains responsibility for its financial information and approvals. Rehmann, or MAX's separately appointed independent auditor, performs the audit and issues the audit opinion.

A complete annual reporting process

Our recurring scope includes year-end ledger reconciliation; fund and government-wide entries; annual financial statements and notes; supporting schedules; the SEFA; Michigan transit schedules; lease/subscription and capital-asset accounting; and coordination of financial audit and Single Audit requests. We will prepare the annual reporting package for MAX review rather than assume that the independent auditor must draft the statements simply because that has been the historical practice.

DELIVERABLE	HOW WE WILL KEEP IT READY
Annual financial statements and notes	Maintain recurring support for assets, grants, liabilities, compensated absences, leases and other significant balances; prepare conversion entries and disclosure support.
SEFA and award reconciliation	Tie expenditures to the ledger, award records, pass-through identifying information, draws, receivables and the required federal/state transit schedules.
Audit-request schedules	Maintain one status-controlled request list, named owners and a secure audit-support folder. Review schedules for completeness and tie-outs before delivery.
MDOT reconciliations and post-audit changes	Reconcile annual OAR/BPT information to the financial statements and prepare required final updates following the audit.
Findings and oversight reviews	Respond to financial questions, support appropriate corrective-action plans, and attend required Single Audit presentations and Triennial Review financial activities.

FY2026 stays with the City; the handoff stays connected

MAX has confirmed that the City will support all of the September 30, 2026 close, including financial statements and the Single Audit, and will lead responses during the audit scheduled for the weeks of November 23 and November 30. We will obtain the resulting final trial balance, adjustments, schedules, grant positions, and reporting decisions and reconcile them into the transferred records. We will not duplicate the City's FY2026 annual-close engagement.

The first annual close led by Gabridge will be FY2027, including continuity of the October-December records prepared before cutover. GASB 103/104 matters addressed in the FY2026 close will be carried into subsequent reporting; current and newly applicable reporting matters within the agreed scope remain part of our recurring support.

Sources: RFP, General Ledger and Audit Preparation scope; emailed responses Q7 and Q9; portal Q&A Q2 and Q12. The no-assurance distinction preserves the independent auditor's separate role.

4. Service approach

Sandra will lead the payroll workflow and technical support, working with the assigned processing team and a documented backup. BS&A remains the system of record and UKG Ready remains the timekeeping source. Each biweekly payroll will have a processing calendar, exception review, approval cutoff, release control, and liability reconciliation.

FUNCTION	GABRIDGE RESPONSIBILITY	MAX RESPONSIBILITY
Employee and pay changes	Process authorized setup, rate, deduction and retirement changes; retain evidence.	Authorize hires, departures, pay changes and employment decisions.
Time and payroll calculation	Import approved time; review special-pay and exception reports; calculate payroll.	Approve time, special payments and corrections.
Payroll release	Prepare the register and payment files; execute the approved processing workflow.	Executive Director approves; Deputy Director serves as backup.
Taxes and reporting	Prepare, reconcile, file and remit payroll taxes; prepare W-2, 941, ACA and other required payroll reporting.	Provide authorized access and review/approval required by the workflow.
Benefits and retirement	Process approved payroll changes; reconcile carrier invoices, deductions, contributions and liability balances.	Retain benefit enrollment, leave administration and employment-policy decisions.
Leave balances and questions	Reconcile payroll leave accruals and effects of approved changes; resolve payroll-processing questions.	Maintain leave approvals and HR decisions; coordinate employee information.

Controls before the first live payroll

Validate employee master data, year-to-date amounts, tax jurisdictions, pay rules, leave balances, benefit deductions, retirement remittances, and bank-file access. MAX has no bargaining units; special pay rules embedded in timekeeping and approved ad hoc payments will nevertheless be tested. At least two payroll cycles will be compared in parallel where practical, without sending duplicate deposits or returns.

Calendar-year reporting at cutover

The fiscal-year close and calendar-year payroll close are separate workstreams. During onboarding, MAX, the City and Gabridge will name the preparer and reviewer for fourth-quarter 2026 returns, 2026 W-2s and related filings. Our scope includes the transition coordination and the post-cutover filing work assigned to Gabridge using validated City year-to-date records; this will not be left as an unassigned handoff item.

MAX retains benefit enrollment and employee leave decisions. Sandra's HR perspective supports accurate payroll and benefits accounting; the proposal does not transfer MAX's employment authority or imply that Gabridge becomes the employer.

Sources: RFP, Payroll & Employee Benefits scope; portal Q&A Q3-Q5 and Q7; emailed response Q15; Sandra Toribio profile; August 27 RFI, p. 10.

4. Service approach

Our approach begins with MAX's existing environment. We will review BS&A chart structure, access, workflows, recurring entries, reports, and interfaces and recommend changes only where they improve reliability or reduce avoidable work. There is no assumed ERP replacement or third-party payroll outsourcing in the proposed scope.

SERVICE	PRACTICAL BENEFIT TO MAX
Controller-level oversight	One lead coordinates close, payroll accounting, grants, Board reporting and audit preparation, reducing fragmented handoffs.
Cash and investment monitoring	Maintain cash and investment reconciliations and a short-term cash outlook linked to payroll, vendor obligations, grant receipts and approved capital commitments.
Budget and variance discussions	Explain material differences, identify timing versus recurring effects, and help leadership evaluate budget adjustments and financial decisions.
Policy and procedure development	Document accounting, approvals, grant reporting, payroll changes, access, and backup steps consistent with the RFP's requirements and MAX policies.
Systems and interface support	Validate UKG-to-BS&A transfer, Token Transit activity and deposit reports, project coding, asset records, and supporting spreadsheets.
Continuity and transitional staffing	Provide the controller and accounting coverage needed to perform the agreed scope, with named backups for critical processes.
Management training and improvement	Explain financial statements, grant balances, reporting calendars, and review evidence; select useful process improvements with leadership.

A useful monthly management discussion

Alongside the financial package, we will identify the matters requiring action: significant budget variances, older reconciling items, outstanding reimbursements, upcoming reporting deadlines, and capital commitments. The purpose is to help MAX act on financial information, not simply receive more schedules.

Visible improvements, within the agreed service

Quarterly service reviews will identify a small number of practical improvements, such as a clearer cash/grant dashboard, a stronger fare-deposit reconciliation, simplified report preparation, or a backup demonstration. Routine explanations, staff training on the transferred processes, and these agreed service improvements are included in the retainer. Separate major projects require a written scope and fee agreement.

MAX retains all policy decisions, investments, payment approvals and custody of assets. Gabridge supplies reconciliations, analysis, recommendations and execution of approved accounting workflows; it does not independently direct the use of public funds.

Sources: RFP, Systems, Staffing & Advisory scope; portal Q&A Q1, Q4 and Q7-Q8; August 27 RFI, pp. 8-12. Dashboard and review cadence are proposed deliverables, not existing MAX practices.

5. Assigned team and accountability

The principal and specialist team identified in the August 27 RFI remains central to this proposal. The named production and backup assignments below extend that model into recurring delivery. Gabridge personnel will perform the work; no specialist subcontracting or third-party payroll-processing arrangement is proposed.

PROFESSIONAL	ASSIGNMENT AND ACCOUNTABILITY
Joe Verlin, CPA, CGFM Principal in Charge	Service oversight, significant judgments, executive escalation, resource decisions, and communication with MAX leadership.
Richard Neihardt Controller-Level Lead	Day-to-day owner of the close, reconciliations, financial reporting, procedures, BS&A workflow, and consolidated service calendar.
Sandra Toribio, PHR, SHRM-CP Payroll Lead / Advisor	Payroll-process design, exception resolution, tax and benefit-account reconciliation support, parallel validation, and payroll backup training.
Andrew Wilcoxen, CPA, CGFM Accounting / Compliance Lead	Grant reconciliations, FTA/MDOT financial reporting support, SEFA, governmental reporting, and technical consultation.
Matt Holland Manager / Controller Backup	Backup for Richard on close, reporting, open items, Board information, and coordination of year-end support.
Lauren Chatterton, CPA, CGFM Independent Internal Reviewer	Second-person review of significant judgments and reporting, separate from the preparer; technical continuity.
Megan Gentry, CPA Production Accounting Lead	Recurring transaction processing, reconciliations, schedules, and reporting support; payroll processing backup after Sandra-led validation.
Allison Bosch, CPA Accounting Support / Backup	Accounting and reconciliation support, audit-request preparation, and trained coverage for the production accounting workflow.

Backup means demonstrated readiness

Before cutover, each critical function will have a documented secondary owner, current instructions, required access, an escalation contact, and a completed walkthrough or test. Matt backs up controller coordination; the assigned accounting team supports grant/report preparation under Andrew's review; Sandra validates payroll backup readiness. Significant reports receive review by someone other than their preparer.

Personnel identified in this proposal are the proposed delivery team, not a separate sales team. Any necessary change will be communicated to MAX and handled under the contract's personnel requirements; equivalent competence and continuity will be maintained.

Sources: RFI, p. 11; approved staff profiles; RFP, Section 2 item 5 and Section 4 Project Coordination. Production and backup assignments are proposed for this engagement; they are not claims of prior MAX service.

5. Capacity, communication and service measures

Plan the service; do not confuse comparison hours with capacity

MAX's worksheet uses 1,600 annual hours for consistent bid comparison. Separately, our delivery plan provides approximately 2,500 team hours for a full recurring-service year, with an additional 280 hours for transition. These are planning estimates, not minimum purchases, hour allowances, or automatic additional-fee triggers. Actual effort will be managed against the agreed deliverables.

RECURRING WORKSTREAM	PLANNING HOURS / FULL YEAR
General ledger, bookkeeping, reconciliations and financial reporting	950
Grant accounting and FTA / MDOT reporting	480
Annual close, financial statements, SEFA and audit support	320
Payroll, benefits accounting and related filings	470
Systems, controller advisory, meetings, review and coordination	280
TOTAL	2,500

The workstream budgets include their associated review, coordination and ordinary travel. They represent shared team effort, not a dedicated 40-hour-per-week individual. We will schedule monthly close, biweekly payroll, quarterly reporting and year-end peaks, while maintaining the named backup assignments.

Operating cadence and accountability

CADENCE	COMMITMENT
During transition	Weekly implementation status: completed tasks, decisions needed, risks, next milestones and responsible owners.
Routine questions	Acknowledge within one business day; advise the expected resolution time. Urgent payroll, payment or security issues are escalated the same business day when identified.
Monthly	Reconciliations and financial package in time for the Board packet; in-person fourth-Monday meeting at 3:30 p.m. Eastern.
Quarterly	Review service performance, financial/grant deadlines, recurring exceptions and agreed process improvements.
Annually / when scheduled	Complete year-end reporting and audit support, attend the Single Audit presentation, and support required Triennial Review financial activities on site.

Service measures will track payroll and report timeliness, reconciliation completion, aging of open items and reimbursements, audit-request status, and completion of backup tests. Joe and Richard will discuss exceptions with MAX rather than allow them to remain hidden in a work queue.

Sources: workbook Instructions and Hourly Rate Schedule; emailed response Q4; portal Q&A Q3, Q10 and Q12. Hours and response standards above are Gabridge's proposed plan.

6. Transition and implementation plan

We will mobilize for the anticipated November 2, 2026 onboarding start after the Notice to Proceed is executed, with full transferred-function readiness by January 1, 2027. The transition follows the RFI sequence: mobilize, discover, design, validate in parallel, and stabilize. MAX and the City's knowledge owners are essential participants.

PHASE / TIMING	ACTIVITIES AND OUTPUT
Mobilize and discover November 2-13	Confirm contacts, approvals, scope ownership and security; inventory tasks, systems, accounts, reports, grants, deadlines and City knowledge holders. Deliver a task register and responsibility matrix.
Design and reconcile November 9-30	Validate BS&A/UKG access and interfaces; reconcile opening/control balances; map grant and payroll data; establish the reporting calendar and operating procedures.
Parallel validation November-December	Use an October historical/shadow close and the November close where practical; compare at least two payroll cycles; test grant/report workflows without duplicate submissions.
Readiness and cutover By December 31	Resolve critical differences; confirm trained backups and access; obtain MAX's documented go-live approval and contingency instructions.
Recurring services January 1, 2027	Assume the transferred recurring accounting and payroll functions. Complete the December reporting handoff and integrate final FY2026 audit adjustments.
Stabilization 30, 60 and 90 days after cutover	Review exceptions and service measures, update procedures, demonstrate backup coverage, and close or assign remaining transition items.

Transition effort: approximately 280 team hours

WORKSTREAM	HOURS
Mobilization and City knowledge capture	24
BS&A access, data and interface mapping	32
Opening balances and control accounts	40
Close calendar, workflows and procedures	32
Grants and reporting handoff	36
Payroll and benefits setup	48
Parallel close and payroll validation	44
Cutover and stabilization checkpoints	24
TOTAL	280

Sources: RFP, pp. 3 and 7; portal Q&A Q2 and Q12; emailed response Q11; RFI, p. 8. Dates are the proposed implementation schedule, subject to the executed Notice to Proceed and coordinated City access.

6. Transition acceptance and milestone billing

The $25,000 implementation price is fixed for the defined transition. It includes client-specific discovery, knowledge capture, access design, opening-balance validation, procedures, payroll/reporting tests, cutover and stabilization. It does not assume a replacement ERP, charge MAX for bid preparation, or bill the same activity again under the recurring retainer.

COMPLETED MILESTONE	ACCEPTANCE EVIDENCE	FEE
1. Discovery and future workflow	Task inventory, responsibility matrix, access plan and integrated close/reporting calendar delivered.	$6,250
2. Data and payroll setup validation	Opening-balance issue log, grant inventory, payroll master-data checks and interface tests delivered.	$9,375
3. Parallel validation and cutover	Comparisons documented; critical exceptions cleared or accepted by MAX; go-live and contingency approval obtained.	$6,250
4. 90-day stabilization	Procedures updated; backup readiness demonstrated; remaining items resolved or assigned with dates.	$3,125
TOTAL ONE-TIME FEE		$25,000

Invoices are issued only after the associated work is performed, with evidence of milestone completion. Payment is due within 30 days of a correct invoice. No advance deposit is requested. The final milestone may occur after recurring services begin; it remains part of the single $25,000 transition fee.

Critical handoff controls

ITEM	REQUIRED HANDOFF RESULT
City knowledge and audit availability	Capture key processes early in November; coordinate around the November 23 and 30 audit weeks. The City remains the FY2026 close/audit lead.
Payroll and calendar-year filings	Name the owner of Q4 2026 returns, W-2s and related filings; validate year-to-date records and approvals before filing.
Balances, grants and assets	Document the transferred trial balance and control schedules, pending draws, grant commitments, asset/lease records, and later audit adjustments.
Readiness and continuity	Approved bank/payroll access, tested time import, no unexplained critical payroll or cash differences, assigned backups, and an escalation/contingency plan.

The December monthly close normally concludes after January 1. The plan therefore does not promise two live November/December closes completed before cutover. Historical/shadow validation and subsequent stabilization address that timing honestly while protecting continuity.

Sources: RFP payment terms, p. 12; portal Q&A Q2 and Q12; RFI transition model. Milestone amounts and acceptance criteria are proposed commercial terms.

7. Security, confidentiality and internal controls

Security and approval controls will be built into each workflow. We will use named access, MAX-approved secure exchange, limited permissions, retained review evidence, and a clear response process for sensitive financial and employee information. Final access design will be coordinated with MAX and the system administrators.

CONTROL AREA	PROPOSED PRACTICE
Identity and access	Named users; least-privilege permissions; multifactor authentication where supported; periodic access review and prompt removal when assignments change.
Secure information exchange	Use MAX-approved encrypted exchange and restricted folders for payroll, banking, benefits and grant records. Do not use ordinary email for sensitive account or employee data.
Devices and confidentiality	Firm-managed devices, appropriate endpoint protection, updates, encryption, and controlled local storage; access limited to assigned personnel.
Transaction authorization	Gabridge prepares and reviews; MAX approves disbursements, payroll, bank transfers, grant draws, significant journals and financial statements.
Master-data changes	Document and independently verify sensitive vendor, bank and employee changes through approved channels; retain authorization and review evidence.
Reconciliations and exception review	Maintain account tie-outs, sign-offs, open-item ownership and aging; escalate unusual or unresolved cash, payroll and grant items.
Incident response	Identify escalation contacts and response steps for containment, evidence preservation, MAX notification, investigation and corrective action under the contract.
Retention and access	Maintain complete, accessible contract records for at least three years after termination/expiration, longer for unresolved matters or other applicable grant/audit requirements; provide authorized oversight access.
Exit and continuity	Return or transfer MAX records, reconciliations, procedure files and open-item status through a secure handoff; retain records that must legally be preserved.

MAX keeps decision authority and custody

The Executive Director is the final approval authority, with the Deputy Director as backup. The responsibility matrix will separately identify preparation, review, authorization, recording and release. We will not become the sole initiator, approver and custodian of public funds. MAX staff continue their retained on-site receipt handling and HR responsibilities.

Our quality review is distinct from the independent auditor's assurance role. MAX retains responsibility for financial reporting, compliance, policies and internal control; Gabridge provides the accounting work and information needed for informed oversight.

Sources: RFP, Sections 2, 4 and 5 (Access to Records and Reports); portal Q&A Q7; emailed response Q12; August 27 RFI, p. 12.

8. Fixed professional fees

Initial recurring annual fee: $249,500

The defined recurring scope is billed monthly beginning January 1, 2027. The $25,000 transition fee is additional only once and is billed on completed milestones. The following allocation explains the integrated price; it is not a menu of separate additional charges.

FUNCTIONAL AREA	RECURRING ANNUAL	ONE-TIME ALLOCATION	ANNUALIZED YEAR 1
General ledger, bookkeeping and financial statements	$105,000	$7,000	$112,000
Grant / FTA accounting and compliance reporting	$47,000	$4,000	$51,000
Audit preparation and Single Audit support	$35,000	$3,000	$38,000
Payroll and employee benefits management	$45,000	$7,000	$52,000
Systems, staffing and advisory support	$17,500	$4,000	$21,500
TOTAL	$249,500	$25,000	$274,500

Included in the fixed recurring fee

All five RFP functional areas as clarified by MAX, including preparation of annual financial statements and notes, the SEFA and transit schedules; monthly Board attendance and reporting; required audit-presentation and Triennial Review financial support; normal local travel; routine secure exchange; internal review and backup coverage; and routine management questions and agreed process improvements.

Normal monthly transaction variation and the three additional FY2027 grants identified in MAX's answers are included in planning. Ordinary extra hours needed to complete the agreed scope do not increase the fixed price. The 1,600-hour evaluation schedule does not create an annual service limit.

Direct third-party costs

MAX-paid BS&A and other existing platform licenses, banking charges, benefit/carrier costs, retirement contributions, payroll amounts and independent-auditor fees are not Gabridge professional fees. Any new third-party charge or unusual reimbursable expense requires advance written MAX approval and will be billed at cost without markup, with support, consistent with the RFP. Ordinary local travel is already included.

Billing precision

The initial monthly equivalent is $20,791.6667, normally invoiced as $20,791.67 with a final-period cents adjustment so a complete service year totals exactly $249,500. Annual scheduled amounts control; monthly rounding will not create a higher annual fee.

Source: fee and hourly-rate decisions approved October 9, 2026; RFP scope and payment terms; MAX workbook. Functional and transition allocations explain, but do not add to, the approved totals.

8. Hourly rate schedule and use of hours

The following rates are the proposed MAX contract rates. MAX's prescribed annual comparison hours are unchanged and produce exactly $249,500. The same role schedule will apply only to separately authorized additional services; it does not convert the fixed recurring scope to hourly billing.

STAFF ROLE	MAX HOURS	RATE / HOUR	EXTENDED AMOUNT
Partner / Principal	40	$400	$16,000
Manager / Controller-Level	150	$225	$33,750
Senior Accountant	500	$175	$87,500
Staff Accountant / Bookkeeper	600	$125	$75,000
Payroll Specialist	250	$125	$31,250
Administrative / Support	60	$100	$6,000
TOTAL	1,600		$249,500

Transition planning by role

ROLE	PLANNED HOURS
Partner / Principal	12
Manager / Controller-Level	56
Senior Accountant	80
Staff Accountant / Bookkeeper	60
Payroll Specialist	60
Administrative / Support	12
TOTAL	280

The 280 planned hours support Section 6. Transition is priced at the fixed $25,000 milestone fee, not an hourly extension; no activity is billed twice.

How additional services would be handled

A material change in scope or workload will be described to MAX before extra services are undertaken. Any additional amount, fee basis, timing and authorization will be documented in a written agreement. A higher-than-estimated effort to finish the original scope, or correction of Gabridge errors, is not an additional-fee trigger. Contracted hourly rates for authorized additional work will increase 3% at the same annual pricing anniversary as recurring fees.

Sources: MAX Hourly Rate Schedule, C7:C12; approved October 9 rate decisions; RFP Contract Changes, Project Coordination and Accuracy of Work provisions. Delivery planning hours are separately stated in Section 5.

8. Term pricing and service commencement

The initial term is three years beginning on the effective date established in the Notice to Proceed. MAX alone may exercise the two additional one-year options, subject to the RFP's performance, funding and written-agreement provisions. Recurring billing begins January 1, 2027; no recurring retainer is charged for the November-December implementation period.

Annualized comparison - twelve recurring months in each year

PRICING YEAR	RECURRING ANNUAL RATE	TRANSITION ONCE ONLY	ANNUALIZED TOTAL
Year 1	$249,500.00	$25,000.00	$274,500.00
Year 2	$256,985.00	-	$256,985.00
Year 3	$264,694.55	-	$264,694.55
Year 4 - option	$272,635.39	-	$272,635.39
Year 5 - option	$280,814.45	-	$280,814.45
Three-year base term			$796,179.55
Five years, if both options exercised			$1,349,629.39

Each annual recurring rate equals $249,500 x 1.03^(pricing year - 1), rounded to cents. The one-time implementation fee is not repeated or escalated. The schedule is an annualized comparison, not an invoice for services before the January start.

Actual contract-year billing and proration

The proposed escalation anniversary is the anniversary of the contract effective date in the Notice to Proceed. At the anticipated November start, the first contract year therefore includes implementation and approximately ten months of recurring service, not twelve. Recurring fees for that first partial period are the applicable annual rate divided by 12 for full months; partial calendar months are prorated by the actual service days in that month. Later full contract years use the annual rates above.

The initial contract still ends three years after its effective date; it does not extend to supply 36 billed recurring months. Exact start, anniversary and end dates, and the resulting first-period invoice schedule, will be recorded in the award. If the effective date differs from the anticipated date, the same rate and daily-proration rules apply.

No automatic overrun billing

The fixed fee pays for the agreed scope. Gabridge bears ordinary hour overruns. Only a material, prospectively agreed change in scope or workload can result in additional compensation.

Sources: RFP, Sections 1 and 4 (term and changes); approved 3% escalation, January recurring start, milestone billing, and scope-based fee decisions. Pricing-anniversary and proration conventions are expressly proposed for inclusion in the award.

8. Anticipated contract-period billing

The schedule below illustrates the proposed billing using a November 2, 2026 contract effective date, a January 1, 2027 recurring-service start, and increases on each November 2 contract anniversary. These are anticipated dates, not a representation that MAX has issued its Notice to Proceed. The rates and proration method in Section 8 apply if the effective date changes.

CONTRACT PERIOD	RECURRING SERVICES	TRANSITION	TOTAL
Year 1: Nov. 2, 2026-Nov. 1, 2027	$208,609.72	$25,000.00	$233,609.72
Year 2: Nov. 2, 2027-Nov. 1, 2028	$256,985.00	-	$256,985.00
Year 3: Nov. 2, 2028-Nov. 1, 2029	$264,694.55	-	$264,694.55
ILLUSTRATIVE THREE-YEAR TOTAL	$730,289.27	$25,000.00	$755,289.27
Option 4: Nov. 2, 2029-Nov. 1, 2030	$272,635.39	-	$272,635.39
Option 5: Nov. 2, 2030-Nov. 1, 2031	$280,814.45	-	$280,814.45
ILLUSTRATIVE FIVE-YEAR MAXIMUM	$1,283,739.11	$25,000.00	$1,308,739.11

First-year calculation

Ten full recurring months, January-October 2027: $249,500 / 12 x 10 = $207,916.6667. One additional day, November 1, 2027: $249,500 / 12 / 30 = $693.0556. Combined recurring charges round to $208,609.72; the separate $25,000 transition fee brings the first contract-period total to $233,609.72.

Why this differs from the workbook

The workbook assumes twelve recurring months in Year 1. The first contract period in this illustration includes only ten months and one day of recurring service because implementation precedes the January start. That removes $40,890.28 of recurring charges from the annualized comparison. The workbook also repeats and escalates the transition fee in later years; Section 9 reconciles that separate formula effect.

For this anticipated-date illustration, $848,452.05 in the unchanged workbook base-term calculation less $52,272.50 of repeated transition charges and less $40,890.28 of unbilled implementation-period recurring charges equals $755,289.27. The fixed recurring annual rate remains $249,500 before annual increases; the difference is service timing, not a reduced annual rate.

Invoice administration

Monthly invoices will apply the appropriate rate to each service period. A month spanning a pricing anniversary is apportioned between the old and new monthly rates using actual days in that month. Final-period cents adjustments will reconcile invoices to the scheduled annual or prorated amount. Transition milestone billing is separate and never duplicated in the recurring charges.

Basis: anticipated RFP November 2 start; approved January 1 recurring billing and 3% annual escalation; three-year Notice-to-Proceed term. Dates and final invoice calendar must be set out in the accepted award. Totals sum displayed cent-rounded period amounts.

9. Required workbook reconciliation

We have completed only the permitted yellow input cells in MAX's original four-tab pricing workbook. The 1,600 comparison hours, all non-input formulas, labels and tab structure are preserved. The initial annual rate and one-time fee reconcile to the proposal as follows.

WORKBOOK ITEM	AMOUNT / TREATMENT
Hourly Rate Schedule - annual extension	$249,500
Pricing Summary - annual recurring retainer	$249,500
One-time transition input	$25,000
Workbook annualized Year 1 total	$274,500
Escalation input	3%

The template's term formulas start with the $274,500 Year 1 total and compound that entire amount. Consequently, they carry the transition amount into later years. The table below reconciles the unchanged template calculation to our offered fees, which charge implementation only once.

YEAR	TEMPLATE CALCULATION	LESS REPEATED TRANSITION	OFFERED ANNUALIZED FEE
1	$274,500.00	$0.00	$274,500.00
2	$282,735.00	$25,750.00	$256,985.00
3	$291,217.05	$26,522.50	$264,694.55
4	$299,953.56	$27,318.17	$272,635.39
5	$308,952.17	$28,137.72	$280,814.45
Years 1-3	$848,452.05	$52,272.50	$796,179.55
Years 1-5	$1,457,357.78	$107,728.39	$1,349,629.39

The offered amounts in Section 8 and the rightmost column are the professional fees proposed for MAX's acceptance in the award. Gabridge will not invoice the repeated-transition amounts generated by the template. The further reduction for the January recurring-service start is applied through the proration rules in Section 8; the comparison columns above assume twelve recurring months per year.

This disclosure uses MAX's permission to submit a pricing breakdown while still completing the required workbook. It does not alter the solicitation workbook or represent that MAX has already approved a corrected formula. The accepted award should expressly incorporate the one-time-only transition treatment and service-start proration.

Sources: workbook Instructions B8, B17-B18; Pricing Summary C22:C24; Itemized Fee & Term Pricing F6:F20; emailed response Q3. Totals shown here sum the displayed cent-rounded annual amounts.

9. Scope, contract administration and commitment

Scope protection with predictable service

The recurring retainer covers the RFP's five functional areas, as clarified in MAX's Q&A and described in this proposal. Normal transaction variation, the disclosed FY2027 grant growth, routine management questions, required local on-site participation, and ordinary additional effort to complete that scope are included. There is no charge solely for exceeding 1,600 hours.

A material new assignment - such as an additional entity, major system conversion, substantial historical reconstruction not identified in the handoff, or a sustained expansion materially beyond the disclosed responsibilities - will be evaluated with MAX. Gabridge will explain the change and obtain a written amendment covering scope, timing and any fee before charging for it. Correcting our errors or omissions remains our responsibility without additional compensation.

Contract administration

PROVISION	PROPOSED ADMINISTRATION
Authorization and term	Begin after an executed Notice to Proceed; preserve the three-year initial term and MAX's two one-year options.
Payment	Monthly recurring invoices for services performed; transition invoices after completed milestones; payment within 30 days of a correct invoice. No advance payment.
Expenses and taxes	Normal local travel included. Other approved direct expenses at actual cost without markup and with receipts; applicable travel limits observed. No Michigan sales/use tax added to the professional-fee schedule.
Changes and disputes	Written agreement for scope and price changes. Follow the RFP's dispute and continuing-performance provisions; do not unilaterally suspend critical processing over an estimated-hours variance.
Termination and records	Follow the RFP's termination and payment-for-completed-work provisions; coordinate secure return/transfer of MAX records and preserve required retention and oversight access.
Federal and professional obligations	Perform under applicable requirements incorporated in the RFP, including required FTA clauses, confidentiality, nondiscrimination, records access, and truthful certifications.

What MAX should be able to count on

MAX will have a named lead, trained backups, current reconciliations, grant support maintained throughout the year, and direct principal access. We will turn that work into understandable financial information before decisions are made.

/s/ Joe Verlin
Joe Verlin, CPA, CGFM | Principal in Charge - Audit Services

Source: RFP, Sections 4-5; agreed fee and change-control terms. Required factual certifications and firm-specific administrative disclosures accompany the final submission.

Appendix A. Professional qualifications

Joe Verlin, CPA, CGFM | Principal in Charge

Joe leads governmental and nonprofit engagements and is responsible for strategy, technical execution, staffing, quality, management communication, and governing-body communication. He serves as engagement executive or independent review partner on more than 75 audit clients. His public-sector experience provides a broad perspective on accounting, reporting, internal controls, and federal award matters.

QUALIFICATION	RELEVANCE TO MAX
Education	Bachelor of Arts in Accounting, Ferris State University
Credentials	CPA; Certified Government Financial Manager; AICPA Advanced Single Audit Certificate
Professional involvement	GFOA Special Review Committee; MICPA governmental accounting and auditing involvement; AICPA, MICPA, AGA and GFOA participation.
Assignment	Executive accountability; significant judgments; technical consultation; escalation and leadership communication.

Richard Neihardt | Controller-Level Lead

Richard is the firm's Senior Advisory Consultant and Consulting Services Lead. He has more than 13 years of accounting, auditing and consulting experience, including more than 10 years with Gabridge. His work includes accounting corrections, year-end close, audit readiness, internal controls, procedure development, budgeting, grant support, and financial decision support for governmental and nonprofit organizations.

QUALIFICATION	RELEVANCE TO MAX
Education	Bachelor of Science in Accountancy, Ferris State University
Systems	BS&A, QuickBooks and Sage; chart/report structure, workflow changes and conversion troubleshooting.
Practical focus	Current reconciliations, clear procedures, reliable supporting schedules and finance-office improvements that can be maintained.
Assignment	Own the consolidated service calendar, recurring close and reporting, City knowledge transfer, procedures, and day-to-day MAX communication.

Source: approved Staff Profiles; August 27 RFI, pp. 11, 16-17. Assignment descriptions are specific to the proposed MAX service model.

Appendix A. Professional qualifications

Sandra Toribio, PHR, SHRM-CP | Payroll Lead / Advisor

Sandra has 26 years with Gabridge and more than 20 years of direct payroll-administration responsibility. Her work connects timekeeping, employee setup, payroll processing, tax reporting, benefit deductions, retirement, leave records, and HR events. She holds the Professional in Human Resources and SHRM Certified Professional credentials.

For MAX, Sandra will lead validation of the payroll workflow, master data and interfaces; resolve payroll and benefit-account exceptions; support required filings; and train and validate the named processing backup. MAX retains employment decisions, benefit enrollment, and leave administration.

Matt Holland | Manager / Controller Backup

Matt is an Audit Manager with 12 years of governmental and nonprofit experience. He manages planning, staff, internal control, reporting, regulatory requirements and governing-body communication. His technical background includes GAAP, GASB, Government Auditing Standards and Uniform Guidance. He holds a Bachelor of Science in Public Accountancy from Calvin College.

For MAX, Matt will provide trained backup for Richard on close coordination, reporting, open items and year-end support. Procedures and access will be maintained so temporary coverage does not restart the learning curve.

Andrew Wilcoxen, CPA, CGFM | Accounting / Compliance Lead

Andrew is a Senior Associate with more than 10 years of governmental and nonprofit audit experience. He serves Michigan counties, cities, villages, townships, schools and other public entities. His experience includes GAAP, GASB, Yellow Book requirements, internal controls, federal/state compliance, and clear presentation of financial information.

Andrew holds a Bachelor of Science in Public Accountancy from Grand Valley State University and is a Certified Government Financial Manager. For MAX, he will connect grant accounting, FTA/MDOT financial reporting, the SEFA and year-end financial statements, with documented MAX-specific portal procedures and review.

Sources: approved Staff Profiles; Sandra Toribio Proposal Profile; August 27 RFI staffing model. Years of experience follow the supplied approved profiles.

Appendix A. Professional qualifications

Lauren Chatterton, CPA, CGFM | Independent Internal Reviewer

Lauren has more than 10 years of governmental and nonprofit experience, including local governments and school districts. Her work focuses on evaluating significant judgments, support, reporting consistency, internal controls and compliance. She holds a Bachelor of Science in Public Accountancy from Michigan State University and is a Certified Government Financial Manager.

For MAX, Lauren will provide a second-person review of significant reconciliations, reporting judgments and year-end deliverables, separate from the preparer. This is internal quality review and not an independent audit or assurance report on MAX.

Megan Gentry, CPA | Production Accounting Lead

Megan's public accounting background includes four years of tax, client bookkeeping, compilation, review and preparation engagements before concentrating on governmental accounting and assurance. That experience supports an understanding of transaction processing, supporting records and financial statement preparation. She holds a Master of Accountancy and Bachelor of Science in Public Accountancy from Calvin University.

For MAX, Megan will support recurring processing, reconciliations, schedules and reporting, with payroll backup duties undertaken only after Sandra-led training and successful validation of the MAX process.

Allison Bosch, CPA | Accounting Support / Backup

Allison's auditing experience began in 2021, with governmental and nonprofit specialization at Gabridge since December 2024. She has worked with counties, cities, townships, villages, districts, libraries and nonprofit organizations. Her background includes planning, fieldwork, financial statement preparation, technical reporting and client communication.

Allison holds a Master of Science in Accountancy and Bachelor of Science in Accountancy with a Data Analytics minor from Calvin University. For MAX, she will support reconciliations, accounting schedules and audit requests and provide documented production-workflow backup.

Source: approved Staff Profiles. Megan and Allison are the proposed named production resources supporting the six-person leadership/specialist model in the August 27 RFI.

Appendix B. External peer review report

RINGO
& ASSOCIATES, P.C.
Certified Public Accountant

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Report on the Firm's System of Quality Control

March 24, 2025

To the partners of Gabridge & Co, CPA and the Peer Review Committee of the Michigan Association of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Gabridge & Co, CPA (the firm) in effect for the year ended June 30, 2024. 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 and complying with a system of quality control 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

As 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.

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act.

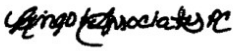
AICPA EBPAQC Member

AICPA GAQC Member

Appendix B. External peer review report

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Gabridge & Co, CPA in effect for the year ended June 30, 2024, 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*. Gabridge & Co, CPA has received a peer review rating of *pass*.



Ringo & Associates, PC