

ACKNOWLEDGEMENT OF GENERAL AND SPECIAL CONDITIONS

Reference Number: **AUDIT24/25**

I have read and agree to all General Conditions, Special Conditions, and the Requirements for Local School District Audits.

Firm Name: Denise M Keene, CPA

Address: PO Box 1444 Georgetown, KY 40324

Telephone: 859-421-5062

Email: denisekeene@msn.com

Partner's Signature: Denise M Keene

Partner's Name (printed): Denise M Keene

Date: 3-7-2025

COMPLETION OF THIS FORM IS MANDATORY AUDIT COST SCHEDULE

The accounting firm of Denise M Keene, CPA submits
the following proposed fee(s) for the audits of the Berea Independent Schools for the
following fiscal year(s).

Fiscal Year Ending June 30, 2025 - Audit fee not to exceed \$ 20,000 Fiscal Year

Ending June 30, 2026 - Audit fee not to exceed \$ 21,000 Fiscal Year Ending June 30, 2027 - Audit fee not
6/30/26 21,000 6/30/27 22,000

to exceed \$ 22,000 Fiscal Year Ending June 30, 2028 - Audit fee not to exceed \$
23,000

Anderson County Schools	Josh White	502-839-3406	josh.white@anderson.kyschools.us	5
Robertson County Schools	Tracy Teegarden	606-724-5421	tracy.teegarden@robertson.kyschools.us	9

Firm Name Denise M Keene, CPA

Partner Signature Denise M Keene

NOTE: One amount for each year is required for the proposal to be considered.

Does your firm utilize a secure online automated document exchange portal? Yes ___ No ✓

By signing below, it is understood that the proposed fee represents the maximum payment due from Berea Independent Schools if our proposal is accepted. *Travel expenses and other incidental costs have been factored into this proposed audit fee.*

Partner's Signature Denise M Keene

Partner's Name (printed) Denise M Keene

Date 3-7-2025

**COMPLETION OF THE FORM IS MANDATORY
AUDIT PERSONNEL INFORMATION SHEET**

Name	Denise Keene	Teddy Keene			
Title	CPA Partner	Senior Accountant			
Is this person a CPA?	Yes	No			
Years of Public Accounting Experience	52	33			
Years of School Audit Experience	41	17			
Will this person be involved in the audit of Berea Independent Schools?	Yes	Yes			

PROFESSIONAL REFERENCES

Audit Client Name	Contact Person	Contact Phone #	Contact Email	<u>Years Experience</u> with Client
Shelby County Schools	Susan Barkley	502-633-2325	susan.barkley@shelby.kyschools.us	7

Denise M. Keene, CPA
Staff Assigned to Audit

Denise M. Keene, CPA
CPA since 1976
Ball State University
Graduated in 1973
B.S in Accounting
Magna Cum Laude
Governmental Audits since 1984, including School Districts

Owner, Partner
In Charge

Teddy L Keene
Kentucky State University
Graduated in 1992
B.S. in Accounting
Governmental Audits since 2008, including School Districts

Senior Accountant

Qualifications of the Firm and Staff

- 1. The firm is licensed for public practice in Kentucky and is qualified as a Certified Public Accounting firm in the Register of Kentucky Accountancy. License # 1187**
 - 2. All persons to conduct audit work meets the independence requirements of the AICPA and KRS 156.480.**
 - 3. The firm and all staff meet the CPE and quality review requirements of the Government Auditing Standards.**
 - 4. The firm has not been reprimanded for sub-standard audit work as verified by the most recent opinion on the peer review. Peer Review report included.**
- No individual staff have had disciplinary actions taken at any time by the Kentucky State Board of Accountancy, nor has the firm.**
- 5. The field team includes two experienced and qualified staff in performing an audit under the provisions of Office of Management and Budget Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. The lead auditor has 41 years of experience in these audits, the staff auditor has 17 years of experience.**
 - 6. School Activity Fund audits will be done by staff with at least 17 years of experience auditing school activity funds. The school activity funds will be reviewed by the owner.**

Denise M. Keene, CPA

Firm History and Staff Experience

The firm was established in July 1979. The firm began doing school district audits in 1984.

The primary audit focus is on governmental audits with a specialty in school districts.

The owner has 41 years of experience in school district audits. The senior accountant has 17 years of experience in school district audits.

The firm has never been reprimanded or disciplined by the Kentucky State Board of Accountancy.

None of the individuals working for the firm has ever been reprimanded or disciplined.

Continuing Education focuses on the audit practice. All staff attend all trainings provided by the Kentucky Department of Education.

The firm received a "pass" rating on its last peer review.

Technical Approach

After the contract is signed, a list of items needed for the audit will be sent to the Director of Finance.

We will schedule 3 weeks to do the field work. During that time all of the field work will be done.

As issues arise during the audit, those will be discussed with the Director of Finance

Board members, selected administrators, and staff will be asked to complete a fraud questionnaire.

If these questionnaires identify any areas of concern, those will be followed up and resolved.

Several employees will be selected for payroll testing. The list of individuals with documentation needed will be provided several days prior to testing to allow staff time to gather data.

A list of invoices to be tested will be sent to the district prior to the start of the field work. This will allow staff time to gather the data requested.

Materiality is generally established at 5% of the population.

An understanding of the organizations procedures will be obtained through discussions with key personnel.

Based on that understanding a walk through of certain procedures will be done to see if the actual procedures agrees with the understanding. The processes will also be compared to the board policies to see if policies are being followed.

Every effort is made to give staff ample time to gather the data requested. We strive to be nondisruptive to the staff and their duties, although there are time when we do need their assistance.

An exit conference with management will be done. The organization can invite anyone to the exit conference.

This will include a detail review of the draft audit report, answering any questions or concerns.

Last Peer Review for the period ending November 30, 2021.

The firm received a PASS rating with no letter of response needed.

Peer Review letters are included

CPE for Denise Keene

Date	Course Description	Hours
5-10-23 & 5-11-23	Accounting & Auditing Conference	16
5/25/2023	Performing Single Audits	8
5/25/2023	Latest Dev in Govt Acct & Auditng	8
5/29/2023	Applying YB to Financial St Audit	4
5/29/2023	Understanding & Testing Control & Compliance in a Single Audit	4
5/29/2023	Fraud & Abuse in NFP & Govts	8
		48
5/23/2024	2024 KDE Finance Officer and Auditor Workshop	4
11/18/2024	A Complete Guide to Yellow Book	8
11/19/2024	Applying the Yellow Book to a Financial Statement Audit	4
11/19/2024	Latest Developments in Govt & Nonprofit Acctg and Auditing	8
11/21/2024	Understanding & Testing Controls Single Audit	4
12/18/2024	Winning the Fraud Battle in Digital Age: Prevention and Detection	8
12/18/2024	The Most Critical Challenges in Govt Acct	4
		40

CPE for Teddy Keene

5-10-23 & 5-11-23	Accounting & Auditing Conference	16
5/25/2023	Performing Single Audits	8
5/25/2023	Latest Dev in Govt Acct & Auditng	8
5/30/2023	Applying YB to Financial St Audit	4
5/30/2023	Understanding & Testing Control & Compliance in a Single Audit	4
		40
5/23/2024	2024 KDE Finance Officer and Auditor Workshop	4
11/19/2024	A Complete Guide to Yellow Book	8
11/19/2024	Applying the Yellow Book to a Financial Statement Audit	4
11/19/2024	Latest Developments in Govt & Nonprofit Acctg and Auditing	8
11/20/2024	Understanding & Testing Controls Single Audit	4
11/20/2024	The Most Critical Challenges in Govt Acct	4
12/1/2024	Winning the Fraud Battle in Digital Age: Prevention and Detection	8
12/18/2024	Update AICPA Standard Setting	4
		44



Members American Institute of Certified Public Accountants
and Kentucky Society of Certified Public Accountants

Report on the Firm's System of Quality Control

June 6, 2022

To Denise M. Keene, CPA. and the Peer Review Alliance

We have reviewed the system of quality control for the accounting and auditing practice of Denise M. Keene, CPA (the firm) in effect for the year ended November 30, 2021. 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 on 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 the requirements of 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 on in conformity with the requirements of applicable 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 an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

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.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Denise M. Keene, CPA in effect for the year ended November 30, 2021, 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*. Denise M. Keene, CPA has received a peer review rating of *pass*.

The logo for RFH, consisting of the letters "RFH" in a stylized, bold, sans-serif font.

RFH, PLLC
Lexington, Kentucky



PEER REVIEW
ALLIANCE

Administering peer reviews for the following:

Illinois CPA Society | Indiana CPA Society | Iowa Society of CPAs | Kentucky Society of CPAs
South Carolina Association of CPAs | West Virginia Society of CPAs | Wisconsin Institute of CPAs

August 01, 2022

Denise Keene
Denise M. Keene, CPA
PO BOX 1444
GEORGETOWN, KY 40324-6444

Dear Denise Keene:

It is my pleasure to notify you that on July 28, 2022, the Peer Review Alliance Committee accepted the report on the most recent System Review of your firm. The due date for your next review is May 31, 2025. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

Peer Review Committee

Peer Review Committee

peerreview@icpas.org
800.993.0407, then dial 4

cc: Heather Cochran

Firm Number: 900011368491

Review Number: 590887

Denise M. Keene, CPA Privacy Policy

CPAs, like all providers of personal financial services, are now required by law to inform their clients of their policies regarding privacy of client information. CPAs have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by law. Therefore, we have always protected your right to privacy.

Types of Nonpublic Personal Information I Collect

I collect nonpublic personal information about you that is provided to me by you or obtained by me with your authorization.

Parties to Whom I Disclose Information

For current and former clients, I do not disclose any nonpublic personal information obtained in the course of my practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to my employees, and in limited situations, to unrelated third parties who need to know that information to assist me in providing services to you. In all such situations, I stress the confidential nature of information being shared.

Protecting the Confidentiality and Security of Current and Former Clients' Information

I retain records relating to professional services that I provide so that I am better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, I maintain physical, electronic, and procedural safeguards that comply with our professional standards.

.....

Please call if you have any questions, because your privacy, my professional ethics, and the ability to provide you with quality financial services are very important to me.