

The image features a black background with a series of parallel red diagonal lines running from the bottom left towards the top right. In the upper left corner, the word "FORVIS" is written in a bold, white, sans-serif font, with a registered trademark symbol (®) to its upper right.

FORVIS[®]

A proposal for:

Fort Bend County



910 East St. Louis Street, Suite 200 / Springfield, MO 65801

P 417.865.8701

forvis.com

February 2, 2024

Mr. Christopher Breaux
Fiscal Compliance Officer
Fort Bend County
301 Jackson Street
Richmond, TX 77469

Dear Mr. Breaux:

With the many daily responsibilities of Fort Bend County (the County), you may not have time to consider the effects internal fraud could have on your ability to make informed business decisions and serve your employees, customers, and vendors. However, without preventive measures in place, fraud can be devastating.

According to the Association of Certified Fraud Examiners, Inc. (ACFE), a typical organization loses 5% of its annual revenue to fraud each year. Often, the key to early detection is a tip. The ACFE indicates a confidential fraud hotline should be a part of any antifraud program. When a hotline was in place, fraud schemes were detected on average 50% faster and median loss was 50% less, according to the ACFE.

FORVIS knows no organization is immune to fraud. To help protect clients from fraud's devastating effects, we launched a proactive antifraud service, **IntegraReport™**, which includes a robust range of services, as well as a personalized and customized services web portal, an 800 number, script, and marketing material. Even before you might suspect fraud, **IntegraReport** can help strengthen your existing antifraud, ethics, and compliance program. **IntegraReport** is designed so any person leaving information via phone or online may do so anonymously and at any time. Setting up a fraud, ethics, and compliance hotline allows employees, customers, and vendors to expose problematic behavior by their contacts, including co-workers and superiors. In addition, as part of our commitment to **Unmatched Client Experiences®**, **IntegraReport** is maintained by our forensics practice; it is not outsourced, allowing you quick access to a team of **FORVIS** fraud, ethics, and compliance professionals.

We believe our proposal will help you select our firm for efficient and objective services delivered by experienced professionals. I will call you soon to answer questions you may have about this proposal, or you may reach me by phone or email as provided below.

Respectfully Presented,

A handwritten signature in cursive script that reads "Macie Latham".

Macie B. Latham
Lead Consultant
417.865.8701
macie.latham@forvis.com

Why Choose FORVIS

The FORVIS Value

The County's choice of an advisor is important. Beyond completing your requested services on time, our goal is to provide the County with the technical knowledge and industry intelligence you expect from an experienced team that is focused on your needs both today and tomorrow. While FORVIS is a new name in the marketplace, we bring an established history of performance helping similar clients see improvements to operations, processes, and financial outcomes. With a fresh perspective you can continue to trust from FORVIS, the County can be confident you are connected to the tools and services you need to thrive and receiving significant value through year-round thought leadership, best practice recommendations, and proactive ideas.

In addition, as evidenced by our recognition in the **INSIDE Public Accounting** 2023 IPA Best of the Best list, FORVIS offers value through a strong, reputable network of support and resources. Our national coverage benefits our clients, our people, and the market of the future as we focus on our commitment to deliver Unmatched Client Experiences.



The FORVIS Difference

Being a top 10 public accounting firm matters, but what sets us apart is our commitment to client service and a forward-thinking mindset focused on innovation. We prioritize investing in new technologies to help clients navigate industry-specific fraud developments, and we foster a dynamic culture of leadership and professional development. This means the County can work with a service-focused team driven by our forward vision to help you succeed today while helping the County prepare for the future.

Here's what sets us apart:

- FORVIS proudly encourages and promotes diversity and an inclusive workplace. With innovative strategies for recruiting, as well as an ongoing focus on the development and implementation of internal inclusion programs, we are committed to identifying opportunities that help each individual to thrive.
- With the urgency of changing environmental, social, and governance (ESG) requirements and the expectation your organization is prepared for what comes next, our experienced advisors are ready to offer the insights and education you may need to enhance and inform your ESG strategy. Start with our ESG and climate risk **FORsights™** at forvis.com/forsights.
- With a forward vision that drives our Unmatched Client Experiences, FORVIS is driven by a commitment to anticipate what's ahead so that our clients are ready to thrive when it arrives.



The IntegraReport hotline is a great service and value for our employees, and I'm glad FORVIS offers it.

Shelley K. Nywall
Platte River Power Authority

Proposed Service

IntegraReport

Studies indicate that a typical organization loses 5% of its annual revenue to fraud and that the most common method of detecting fraud is through tips from employees. FORVIS offers a confidential way for the County's employees to report suspicious activity to help strengthen your antifraud program. FORVIS' Integra**Report** hotline is accessed via an anonymous phone hotline or web-based portal and is monitored by FORVIS fraud professionals. The service includes providing your management with verbatim report transcriptions of tips reported to the hotline in a clean and easy to understand format. We can also provide assistance with hotline implementation, industry-specific fraud awareness training, hotline promotional materials, investigative services, and forensic data mining services.

Integra**Report** offers a robust range of services and can be tailored to meet your specific needs:

- Access to the Integra**Report** personalized web-based portal for all employees, vendors, and other third-parties includes:
 - Ability for the County to anonymously communicate with the reporter
 - Landing page with the County's graphics and customized language
 - Reporting page with customizable questions
 - Code of conduct page
 - Capabilities in 80+ languages
- Access to the County's own Integra**Report** toll-free phone number with a custom unique script
- Integra**Report** CaseTrac System – Online case management system to track and manage report investigations
- Set up and one-hour live implementation training with County management via webinar
- Hotline monitoring by FORVIS fraud, ethics, and compliance professionals
- Customized routing to up to 10 individuals designated by the County based on report content
- Assistance in developing customized rollout and promotional materials
- Industry-specific fraud awareness training for employees via USB drive
- Real-time analytics on hotline usage through Integra**Report** CaseTrac
- Quarterly management dashboards summarizing hotline reports received by:
 - Quantity
 - Allegation/Sub Allegation type
 - Category
 - Status of report investigation
 - Other metrics
- Integra**Report** provides you with verbatim report transcripts as they are received:
 - Reports are processed during normal business hours Monday through Friday and once a day on Saturdays
 - Reports received outside of normal business hours are processed the morning of the next business day
 - Reports are typically provided to management within one to two hours of receipt by the FORVIS Integra**Report** team

Proposed Service

Optional and As-Needed: Forensic Investigation Services

The typical organization loses 5% of its annual revenue to fraud, according to a recent study by the Association of Certified Fraud Examiners. If fraud, ethics, or compliance violations are discovered, FORVIS has the personnel and experience to begin a timely investigation, prevent further loss, determine the full extent of the violations, and prepare for litigation and recovery.

If you have a matter involving potential fraud, ethics, or compliance violations, FORVIS' team of Certified Fraud Examiners, certified digital forensics professionals, and consultants can help:

- Conduct investigations and quantify the results
- Perform procedure reviews
- Conduct information gathering or admission-seeking interviews
- Investigate computer fraud and security issues
- Provide management training
- Review policies and procedures

We regularly conduct investigations on behalf of boards, management teams, and in-house counsel, in connection with allegations of fraud, whistleblower reports, government investigations, or in connection with a bankruptcy. We bring investigative experience, industry knowledge, and subject matter experts, including accounting and SEC financial reporting national office professionals, to each assignment.

FORVIS' forensics team comprises individuals with diverse backgrounds in accounting, audit, law, data analytics, and digital forensics. Forensics team members have extensive training and certifications, including Certified Public Accountant (CPA), Certified Fraud Examiner (CFE) from the Association of Certified Fraud Examiners (ACFE), and Certified in Financial Forensics (CFF) by the American Institute of CPAs (AICPA).

The forensic investigation services are available should the County request or need them. A separate engagement letter for our forensic services would be produced at the time of the request in advance of beginning any project.

Service Team & Experience

We take team selection seriously and have the appropriate team of advisors to meet your needs. Previous experience is a primary determinant for assigning professionals to your engagement, and we have assigned individuals who are experienced in working with fraud, ethics, and compliance hotlines to your engagement.

Team Biographies & Experience



Macie B. Latham
Lead Engagement Consultant

417.865.8701
macie.latham@forvis.com

Engagement Responsibilities

Macie is responsible for coordinating and overseeing FORVIS' IntegraReport™ services. As a project lead, she will serve as the point of contact for Fort Bend County.

Experience

Macie is a member of FORVIS' Forensics & Valuation practice unit. She is an experienced lead consultant with a demonstrated history of working in the accounting industry. Macie runs the day-to-day operations of the IntegraReport hotline, where she provides dynamic training and Unmatched Client Experiences. She is the key point of contact for 100+ IntegraReport subscribers.

She is a 2018 graduate of Missouri State University, Springfield, with a B.S. degree in business.



Alexander F. Gershner
Director

336.830.6202
alexander.gershner@forvis.com

Experience

Alex is a member of FORVIS' Forensics & Valuation practice unit and has nearly 15 years of experience providing forensic accounting, investigation, dispute consulting, compliance and monitoring, and financial statement audit services.

Alex has performed investigatory procedures to uncover, quantify, and remediate acts of misconduct, provided forensic analysis, prepared expert reports, calculated damages, and assisted counsel in deposition and testimony preparation. He has also advised public and private clients and counsel on matters involving asset misappropriation, claims of fraudulent misrepresentation, breach of contract, improper revenue recognition, fraudulent conveyance, audit malpractice, alter ego, post-acquisition disputes, and interpretation and application of Generally Accepted Accounting Principles (GAAP), among other complex litigation and dispute matters.

He has worked in the U.S., Europe, and Asia serving clients across a range of industries. Alex began his career in the Audit practice of a Big Four accounting firm and, prior to FORVIS, held leadership roles at various professional services firms in New York City, including a Top 10 accounting firm.

Alex was appointed to, and served three consecutive terms on, the American Institute of CPAs' (AICPA) Forensic and Valuation Services (FVS) Executive Committee. He was a 2017 recipient of the AICPA's FVS Standing Ovation. Each year, the Standing Ovation Program recognizes CPAs for significant contributions in their areas of accounting and in their communities.

Alex is a member of the Board of Directors of the Sawtooth School for Visual Art. He is a co-founder, former co-chair, and former member of the New York Police & Fire Widows' & Children's Benefit Fund Junior Committee. He is also an active mentor of former students from his alma mater, Manhattan College, and other institutions.

Your Investment

Proposed Fees

Our goal is to be candid, timely, and answer your questions about fees upfront to avoid surprises. Our fees may increase and, should this occur, we will consult with you in advance.

IntegraReport	
Hotline Monitoring by FORVIS Fraud Professionals	✓
Number of Reports Included	Unlimited
Hotline Access for Employees, Vendors, & Other Third-Parties	
Personalized Web-Based Portal	✓
Unique Toll-Free Number	✓
IntegraReport Case Trac-Online CMS	✓
Report Routing to Designated Individuals	Customized
Management Implementation Training	
Brief Kick-Off Consultation	✓
Live Broadcast or Conference Call (One Hour)	✓
Fraud Awareness Training: Archived Webinar & USB Drive	✓
Rollout & Promotional Materials	Custom Designed Unlimited Access
Consulting with IntegraReport Professionals	Unlimited
Management Dashboard Reporting	Quarterly
ANNUAL SUBSCRIPTION FEE	\$4,750
ONE TIME SETUP FEE	\$750
Optional: Forensic Investigation Services	
Forensic Investigation Services	Hourly rates (\$215 – \$710)

Our investigation services fees are determined by a number of variables: the complexity of the work, the project's scope, the time we will spend, and the level of the professional staff needed. In addition, we will bill travel costs and fees for services from other professionals, if any, as well as an administrative fee of five (5) percent to cover certain technology and administrative costs associated with our services. This fee covers items such as copies, postage and other delivery charges, supplies, technology-related costs such as computer processing, software licensing, research, and library databases, and similar expense items. It is agreed that our fees are not contingent upon the results of the engagement.

Our hourly rates are subject to at least annual adjustments. Because we do not know how long our services may be required, the County will be responsible for fees at the hourly rates in effect at the time work is performed.

Our acceptance of this engagement is subject to completion of our normal client acceptance procedures. Upon acceptance, the actual terms of our engagement will be documented in a separate letter to be signed by you and us. All information contained within this proposal is proprietary and confidential. The information provided in this proposal is intended for informational purposes only and may not be copied, used, or modified, in whole or in part, without FORVIS' prior written approval. All information in this proposal is as of June 1, 2023, including projected statistics for FORVIS, unless otherwise noted.

About FORVIS

FORVIS

Assurance / Tax / Consulting

An Enhanced Professional Services Firm

What's going to happen tomorrow? You can't predict the future, but you can prepare for it. To thrive in an environment that moves faster every day, business leaders must be able to look ahead and be ready for what comes next.

That's where **FORVIS** can help. Driven by the desire to anticipate what's next in the economic landscape, our goal is to help our clients be ready when the future becomes the present. We're committed to using our exceptional vision to provide each of our clients with an **Unmatched Client Experience**® that drives business forward.

FORVIS was created by the merger of equals between BKD and DHG. We aim to carry on our respective legacies of high-touch personal service delivered with remarkable integrity, care, and innovation—all now backed by the resources of a top 10 U.S. public accounting firm.

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With national coverage and international presence, we're stronger: for our clients, our people, and the market of the future.

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Forward Vision Drives Our Unmatched Client Experiences

As a FORVIS client, you will benefit from a single organization with the enhanced capabilities of an expanded national platform, deepened industry experience, greater resources, and innovative consulting services. Our aim is to provide assurance, tax, and consulting services that help clients succeed today while preparing them to forge ahead into a clear future.

Our eye on the future isn't exclusively directed toward our clients. We want our people—at every level, in every office—to be motivated by engaging career paths that challenge and inspire them to grow personally and professionally. Our partners and staff are the foundation of the firm, and when they have the opportunity to flourish, the result is Unmatched Client Experiences.

We are FORVIS—driven by a commitment to anticipating what's ahead so our clients are ready to thrive when it arrives.



Tom Watson
Chief Executive Officer

Top 10
U.S. Public Accounting Firm*

500+
Partners & Principals

27
States + Canada, U.K., & Cayman Islands**

10+
Industries

6,000+
Team Members

68
Markets



FORVIS is a member of Praxity™, an international alliance of independent accounting firms that offers multinational clients access to resources around the world.
* FORVIS was ranked number eight on Inside Public Accounting's 2023 annual ranking of accounting firms by revenue.
** Services outside the United States are provided through our subsidiaries and/or affiliates supporting FORVIS.



Direct Contacts

Macie B. Latham

Lead Consultant

417.522.0448

macie.latham@forvis.com

Alex F. Gershner

Director

336.830.6202

alexander.gershner@forvis.com