

**Leon County Research and Development Authority**  
**Executive Committee Meeting**  
Collins Building  
2051 E Paul Dirac Drive  
Tallahassee, FL 32310

Tuesday, November 17, 2020  
1:30pm – 3:30pm

**Agenda**

1. Call to Order
2. Introduction of Guests
3. Modifications to the Agenda
4. Public Comment
5. Approval of Draft Meeting Minutes, October 16, 2020 (Attachment A)
6. TechGrant Award Agreements (Attachments B1-B2)

*Chair requests ratification of her approval of 2020 Technology Commercialization Grant Program Letters of Agreement with WeatherTiger, LLC for \$15,000, and Nhu Energy, Inc. for \$10,000. The awards were determined based on the TechGrant application and judging process by 5 independent judges and final pitches made during the Elevator Pitch Event held on October 21, 2020.*

7. Audit Engagement Letter (Attachment C)

*The Audit Committee requests ratification of its approval of the Audit Engagement Letter executed by the Audit Committee Chair and acknowledged by the Executive Director.*

8. Incubator Project Architectural/Engineering Professional Services RFQ 2020-01 (Attachment D1-D2—to be provided as a supplement to the agenda)

*The Executive Director requests approval RFQ 2020-01 for the procurement of Architectural/Engineering Professional Services for the design and other services related to the construction of the new North Florida Innovation Labs building.*

9. Lease Prospect and Permitted Uses Discussion

The Authority is restricted in the permitted uses of property at Innovation Park. Covenants and Restrictions for Innovation Park stipulate:

No Site within INNOVATION PARK/TALLAHASSEE shall be used except for research, design, testing, analysis, prototype development, pilot scale production and limited product assembly purposes and for such other purposes, including administrative, professional and support services as the Authority may, in its sole judgment, determine to be an integral part of, related to or derivative of the aforesaid uses. The Authority shall, in its sole discretion, determine whether or not any existing or proposed use of a Site is a permitted use within the meaning and intent of this Declaration. The foregoing iteration of permitted uses shall not, however, preclude

the Authority from constructing, owning, operating, maintaining, leasing, or permitting service, commercial, administrative or recreational facilities within INNOVATION PARK/TALLAHASSEE, provided any such facilities are for the primary use, enjoyment and convenience of the Authority or the Tenants of INNOVATION PARK/TALLAHASSEE, their employees, agents and representatives.

*The Executive Director requests direction from the Board regarding pursuit of lease prospects and permitted uses.*

10. FDOT Phipps Lease Extension

The Executive Director will update the committee regarding negotiations with the Florida Department of Transportation and the extension of its lease of the Phipps Building.

11. Chair's Report

12. Staff Reports

- a. Executive Director
- b. Director of Entrepreneurship
- c. Director of Marketing & Engagement

13. New Business

14. Adjourn

**Upcoming Meetings and Events**

**LCRDA Board of Governors**

December 1, 2020  
11:00am – 1:30pm

**Executive Committee**

January 19, 2021  
11:00am – 1:00pm

**LCRDA Board of Governors**

February 4, 2021  
11:00am – 1:30pm

**IPTLH Board of Directors**

February 4, 2021  
1:30pm – 2:00pm

**Leon County Research and Development Authority**  
**Executive Committee Meeting**  
*This meeting will be held via teleconference in accordance with*  
*Fla. Exec. Order No. 20-69*  
*as extended by the Governor of Florida*

October 16, 2020  
11:30am – 12:00pm

**DRAFT MINUTES**

**Members in Attendance:** Kimberly Moore, Sonjoy Goswami, Kevin Graham, Dave Ramsey.

**Members Not in Attendance:** None.

**Guests:** Ron Miller, Peggy Bielby, LCRDA staff.

**1. Call to Order**

Kimberly Moore called the meeting to order at 11:41am.

**2. Introduction of Guests**

All present introduced themselves.

**3. Modifications to the Agenda**

None.

**4. Public Comment**

None.

**5. Approval of Draft Meeting Minutes, July 21, 2020**

*Kevin Graham offered a motion to approve the July 21, 202 meeting minutes. Sonjoy Goswami seconded the motion which passed unanimously.*

**6. Executive Director Annual review**

The Employment Agreement with the Executive Director, as amended in 2015, requires “On or before September 30th of each subsequent year, throughout the term of this agreement, the Authority will conduct an evaluation of the Employee’s performance”; and, “On or before September 30th of each subsequent year, The Board of Governors shall provide adjustments to the Base Salary, based upon the Employee's performance evaluation and completion of goals and objectives, as set forth annually in advance and in writing by the Board of Governors, and agreed to by the Parties.” A summary of Board member evaluations and a salary history are provided in the attachments. The 2019 Compensation Committee’s “Conclusions and Recommendations” to the Board concluded the “Executive Director’s compensation is in line with AURP salary range \$75,000 to \$174,999 considering similar geographic location, population and budget.” The Compensation Committee is scheduled to meet every two years and will meet again in 2021.

The Board of Governors, at its meeting on October 1, 2020, reviewed the performance of the Executive director and delegated its authority to the Executive Committee, for the current evaluation period, to review and address any merit adjustments to Base Salary as required by the agreement with the Executive Director. The Board directed that this review be conducted at the earliest possible meeting of the Executive Committee.

*After discussion Dave Ramsay offered a motion to increase the Executive Director's base pay by \$5,000 (approximately 3.3 percent) for FY 2020-2021 with an effective date retroactive to October 1, 2020. Kevin Graham seconded the motion which passed unanimously.*

**7. New Business**

None.

**8. Adjourn**

The meeting adjourned at 11:51am.

UPCOMING MEETINGS AND EVENTS

**TechGrant Pitch Competition**

Wednesday, October 21, 2020  
5:30pm – 7:00pm

**Tech Topics**

Tuesday, November 17, 2020  
11:00am – 12:00pm

**Executive Committee Meeting**

Tuesday, November 17, 2020  
12:30pm – 2:30pp

**Board of Governors Meeting**

Tuesday, December 1, 2020  
11:00am – 1:30pm



## 2020 TECHNOLOGY COMMERCIALIZATION GRANT PROGRAM Letter of Agreement

October 23, 2020

Congratulations for being a recipient of the Leon County Research and Development Authority's Technology Commercialization Grants. This letter of agreement is designed to confirm receipt of the grant award and outline the general conditions for grant award winners.

If you agree to the conditions of this agreement, please return a signed copy via email to [rmiller@inn-park.com](mailto:rmiller@inn-park.com) or via US Mail to:

Leon County Research and Development Authority  
Attention: Technology Commercialization Grant Program  
2051 E. Paul Dirac Dr., Suite 100  
Tallahassee, FL 32310

If you have questions please call 850-575-0343 or email [rmiller@inn-park.com](mailto:rmiller@inn-park.com).

### General Conditions:

1. The Technology Commercialization Grant funds will only be used as outlined in the proposal submitted to the Leon County Research and Development Authority
2. The Technology Commercialization Grant funds may not be used for salaries, travel expenses or administrative overhead
3. All products created using the Technology Commercialization Grant funds remain the intellectual property of the grantee
4. The grantee will assist the Leon County Research and Development Authority in promoting the Technology Commercialization Grant Program in future years
5. The grantee will submit brief project updates, including a description of the utilization of grant funds, annually for up to five years after receiving the grant award
6. The tax consequences of this grant, if any, are the responsibility of the grantee, and the grantee will be required to provide a valid taxpayer ID number

I have read, understand, and agree to the conditions for funding of the Technology Commercialization Grant Program.

**Company:** WeatherTiger, LLC  
**Grantee's Printed Name:** Ryan Truchelut

**Grant Award Amount:** \$15,000  
**Title:** Managing Member

**Signature** *Ryan Truchelut*

**Date:** 10/25/2020

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**Approved by** *Kimberly A. Moore* **Date** October 26, 2020  
Kimberly Moore, Chair of Board of Governors  
Leon County Research and Development Authority



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I have read, understand, and agree to the conditions for funding of the Technology Commercialization Grant Program.

**Company:** Nhu Energy, Inc.

**Grant Award Amount:** \$10,000

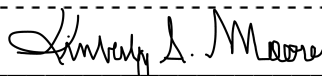
**Grantee's Printed Name:** Richard H. Meeker, Jr.

**Title:** President

**Signature** 

**Date:** 10/23/2020

**Approved by** \_\_\_\_\_



**Date** October 26, 2020

Kimberly Moore, Chair of Board of Governors  
Leon County Research and Development Authority



Certified Public Accountants

www.thf-cpa.com

October 15, 2020

Audit Committee  
Leon County Research and Development Authority  
2051 E. Paul Dirac Drive, Suite 100  
Tallahassee, Florida 32310

ATTN: Mr Dave Ramsay, Audit Committee Chairman

### **The Objective and Scope of the Audit of the Financial Statements**

You have requested that we audit the financial statements of Leon County Research and Development Authority (the Authority), which comprise the statement of net position as of September 30, 2020 and 2021, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements. We will also report on whether supplementary information is fairly stated in all material respects in relation to the financial statements as a whole. We will also perform certain limited procedures on required supplementary information (RSI) but will not express an opinion or provide assurance on RSI. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

### **The Responsibilities of the Auditor**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, GAS does not expect us to provide reasonable assurance of detecting abuse.

In making our risk assessments, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the Audit Committee (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our report(s) on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and regulations identified above. Our report(s) on compliance matters will address material errors, fraud, abuse, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement, or loan program questioned costs of which we become aware, consistent with requirements of the standards and regulations identified above.

Our services under this arrangement letter do not include services for tax return preparation, tax advice, or representation in any tax matter. Nevertheless, we may discuss with you certain tax considerations or provide you with tax information that may be relevant to our services. Any such discussions or information would be based upon limited tax research, limited due diligence, and limited analysis regarding the underlying facts. Because additional research or a more complete review of the facts could affect our analysis and conclusions, the information provided during these discussions should not be used as the basis for proceeding with any transaction or any tax return reporting.



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## **The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework**

Our audit will be conducted on the basis that management and when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that they will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
- c. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- d. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
- e. For report distribution; and
- f. To provide us with:
  - (1) Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
  - (2) Additional information that we may request from management for the purpose of the audit; and
  - (3) Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit including among other items:

- a. That management has fulfilled its responsibilities as set out in the terms of this letter; and
- b. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

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Management is responsible for identifying and ensuring that the Authority complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud or abuse, and for informing us about all known or suspected fraud or abuse affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud or abuse could have a material effect on the financial statements or compliance. Management is also responsible for informing us of its knowledge of any allegations of fraud or abuse, or suspected fraud or abuse affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Management is responsible for the preparation of the RSI and supplementary information presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the RSI and supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such RSI and supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

The Audit Committee is responsible for informing us of its views about the risks of fraud or abuse within the entity, and its knowledge of any fraud or abuse or suspected fraud or abuse affecting the entity.

Our association with an official statement is a matter for which separate arrangements will be necessary. The Authority agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when the Authority seeks such consent, we will be under no obligation to grant such consent or approval.

The Authority agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Authority agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering.

## **Records and Assistance**

If circumstances arise relating to the condition of the Authority's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the Authority's books and records. The Authority will determine that all such data, if necessary, will be so reflected. Accordingly, the Authority will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by Authority personnel, including the preparation of schedules and analyses of accounts, will be discussed and coordinated with the Executive Director. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

In connection with our audit, you have requested us to perform certain non-audit services necessary for the preparation of the financial statements, including proposing trial balance adjustments, if any, and maintenance of fixed asset records. The GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments, and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the Authority, we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the non-audit service to be performed. The Authority has agreed that the Executive Director possesses suitable skill, knowledge, or experience and that the individual understands the above described non-audit services to be performed sufficiently to oversee them. Accordingly, the management of the Authority agrees to the following:

1. The Authority has designated the Executive Director as a senior member of management who possesses suitable skill, knowledge, and experience to oversee the services;
2. The Executive Director will assume all management responsibilities for subject matter and scope of the drafting of the financial statements and trial balance adjustments;
3. The Authority will evaluate the adequacy and results of the services performed; and
4. The Authority accepts responsibility for the results and ultimate use of the services.

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GAS further requires we establish an understanding with the Authority's management and those charged with governance of the objectives of the non-audit services, the services to be performed, the Authority's acceptance of its responsibilities, the auditor's responsibilities and any limitations of the non-audit services. We believe this letter documents that understanding.

### **Other Relevant Information**

Thomas Howell Ferguson P.A. (THF) may mention the Authority's name and provide a general description of the engagement in THF's client lists and marketing materials.

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In addition, we may utilize financial information you have provided to us in connection with this engagement for purposes of creating benchmarking data to be used by THF professionals and other clients. This benchmarking data is aggregated with data from a minimum of five other entities so that users of the data are unable to associate the data with any single entity in the database.

We will also respond to inquiries and provide routine consulting services as specifically requested. Routine consulting services include the normal communications we have with our clients. Generally, these consulting services address a wide variety of nonpolicy matters that facilitate the delivery of our basic attest services. Such routine consulting services include research and advice relating to the application of regulatory requirements, professional standards, and best practices. The Executive Director will be responsible for overseeing, evaluating the adequacy of, accepting the results of, and for making all management decisions with respect to the routine consulting services.

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.

### **Parties' Understandings Concerning Situation Around COVID-19**

THF and the Authority acknowledge that, at the time of the execution of this arrangement letter, federal, state and local governments, both domestic and foreign, have restricted travel and/or the movement of their citizens due to the ongoing and evolving situation around COVID-19. In addition, like many organizations and companies in the United States and around the globe, THF has restricted its employees from travel and onsite work, whether at a client facility or THF facility, to protect the health of both THF's and its clients' employees. Accordingly, to the extent that any of the services described in this arrangement letter requires or relies on THF or Authority personnel to travel and/or perform work onsite, either at the Authority's or THF's facilities, including, but not limited to, maintaining business operations and/or IT infrastructure, THF and the Authority acknowledge and agree that the performance of such work may be delayed, significantly or indefinitely, and thus certain services described herein may need to be rescheduled and/or suspended at either THF's or the Authority's sole discretion. THF and the Authority agree to provide the other with prompt written notice (email will be sufficient) in the event any of the services described herein will need to be rescheduled and/or suspended. THF and the Authority also acknowledge and agree that any delays or workarounds due to the situation surrounding COVID-19 may increase the cost of the services described herein. THF will obtain the Authority's prior written approval (email will be sufficient) for any increase in the cost of THF services that may result from the situation surrounding COVID-19.

### **Other Terms of Our Engagement**

Our fee will be based on hours worked by the various levels of personnel, at rates applicable to each, plus out-of-pocket expenses and an additional charge of \$12 per hour to cover the cost of administrative expenses not separately billed. Calculated on this basis, our fee estimate for the audit services, including administrative and out-of-pocket expenses, is \$17,500 for the year ending September 30, 2020, and \$18,000 for the year ending September 30, 2021. This fee estimate is subject to adjustments based on unanticipated changes in the scope of services and/or the incomplete or untimely receipt by us of the information on the client preparation list. Our fees will be billed in installments to coincide with the performance of our work. All other provisions of this letter will survive any fee adjustment. Services other than those specified above will be subject to a separate written arrangement.

Our fees for the audit and accounting services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Our fee estimate and completion of our work is based upon the following criteria, which if not met, may cause the fees to increase:

- a. Anticipated cooperation from Authority personnel.
- b. Timely responses to our inquiries.
- c. Timely completion and delivery of client assistance requests.
- d. Timely communication of all significant accounting and financial reporting matters.

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- e. The assumption that unexpected circumstances will not be encountered during the engagement.

Our fees for other accounting or consulting services requested by the Authority, including participation at various meetings other than those associated with the audit, will be billed based on the time necessary to perform these services at our standard rates, plus administrative and out-of-pocket expenses. For significant additional services, we will provide an estimate of the total project cost prior to commencement of the work.

In the event you terminate this engagement, you will pay THF for all services rendered (including deliverables and products delivered), expenses incurred and commitments made by THF through the effective date of termination.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, THF may, at its sole discretion, terminate this arrangement letter without further obligation to the Authority. Resumption of audit work following termination may be subject to our client acceptance procedures and, if resumed, will necessitate additional procedures not contemplated in this arrangement letter. Accordingly, the scope, timing and fee arrangement discussed in this arrangement letter will no longer apply. In order for THF to recommence work, a new arrangement letter would need to be mutually agreed upon and executed.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a shareholder or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. For this reason and because THF incurs significant costs associated with training and replacing experienced personnel assigned to client engagements, the Authority agrees it will compensate THF in the amount equal to the annual compensation of the employee hired by the Authority.

The audit documentation for this engagement is the property of THF and constitutes confidential information.

Review of audit documentation by a successor auditor or as part of due diligence will be agreed to, accounted for and billed separately.

In the event we are requested or authorized by the Authority or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Authority, the Authority will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.



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The documentation for this engagement is the property of THF. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request and that we shall maintain the audit documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested documentation will be provided under the supervision of THF audit personnel and at a location designated by our firm.

Because THF will rely on the Authority and its management and Audit Committee to discharge the foregoing responsibilities, the Authority holds harmless and releases THF, its shareholders and employees from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by a member of the Authority's management that has caused, in any respect, THF's breach of contract or negligence. This provision shall survive the termination of this arrangement for services.

The Authority and THF agree that no claim arising out of services rendered pursuant to this agreement shall be filed more than the earlier of two years after the date of the audit report issued by THF or the date of this arrangement letter if no report has been issued. In no event shall either party be liable to the other for claims of punitive, consequential, special, or indirect damages. THF's liability for all claims, damages and costs of the Authority arising from this engagement is limited to the amount of fees paid by the Authority to THF for the services rendered under this arrangement letter. This provision shall survive termination of this arrangement for services.

THF is committed to the safe and confidential treatment of the Authority's proprietary information. THF is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. The Authority agrees that it will not provide THF with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of Authority information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

Our firm employs measures in the use of electronic data transmission designed to maintain data security. While we will use reasonable efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, the Authority recognizes and accepts that we have no control over the unauthorized interception of these communications once they have been sent and consents to our use of these electronic devices during this engagement.

THF may terminate this relationship immediately in its sole discretion if THF determines that continued performance would result in a violation of law, regulatory requirements, applicable professional standards or THF's client acceptance or retention standards.

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If any term or provision of this Agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

### **Reporting**

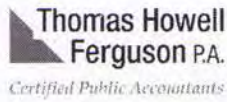
We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to the Audit Committee of the Authority. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

This letter and the services agreement, including the amendment executed on March 23, 2020, constitutes the statement of agreement between THF and the Authority, superseding all other proposals, oral or written, and all other communications, with respect to the terms of the engagement between the parties. If terms of this engagement letter conflict with the services agreement, the services agreement shall govern. It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the Authority and that no other person or entity shall be authorized to enforce the terms of this engagement.

### **Electronic Signatures and Counterparts**

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities or (iv) a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.





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October 15, 2020

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities. A copy has been enclosed for your files. We appreciate your business.

Sincerely,

Thomas Howell Ferguson P.A.

Leon County Research and Development Authority

Agreed and accepted.

By: David B. Ramsay

Title: AUDIT COMMITTEE CHAIR

Date: 10/29/20

Management's Acknowledgement of Terms:

By: [Signature]

Title: Executive Director

Date: 10/27/2020



Audit Committee  
Leon County Research and Development Authority

Page 11  
October 15, 2020

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*Thomas Howell Ferguson P.A.*

Leon County Research and Development Authority

Agreed and accepted.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Management's Acknowledgement of Terms:

By: *[Signature]*

Title: Executive Director

Date: 10/27/2020



### Report on the Firm's System of Quality Control

November 1, 2019

To the Shareholders of Thomas Howell Ferguson, P.A.  
And the Peer Review Committee of the Florida Institute of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Thomas Howell Ferguson, P.A. (the firm) in effect for the year ended May 31, 2019. 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](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

#### Required Selections and Considerations

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

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Thomas Howell Ferguson, P.A. in effect for the year ended May 31, 2019 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*. Thomas Howell Ferguson, P.A. has received a peer review rating of *pass*.

Gregory, Sharer & Stuart, P.A.