



2700 Ygnacio Valley Road, Ste 270  
Walnut Creek, CA 94598  
(925) 932-3860 tel  
(925) 476-9930 efax  
[www.cropperaccountancy.com](http://www.cropperaccountancy.com)

June 29, 2023

To the Board of Directors of  
Pacific Swimming  
c/o Mary Ruddell  
Concord, California

We are pleased to submit this brief outline of our firm, our people, and our nonprofit services. If you would prefer a more detailed proposal or further information, we would also be happy to respond accordingly.

As a firm, we are proud of our expertise and commitment to serving a wide variety of nonprofit organizations (a selected list of clients served is included within the Statement of Qualifications),

Professionally, I have specialized in serving nonprofit organizations for over thirty years including as senior manager responsible for the nonprofit practice at Deloitte and Touche (San Francisco office), followed by working for a large, nonprofit organization, Kaiser Permanente.

At Kaiser Permanente, I was Director of Internal Audit Services, as well as Assistant Corporate Controller responsible for Risk, Internal Control, and Financial Policy (including the implementation of Sarbanes-Oxley). I have a passion for the nonprofit sector. Additionally, I have served on a number of nonprofit boards of directors as treasurer and currently serve as President of a large children's auxiliary.

In addition to my two professional licenses, I am a member of the AICPA's Nonprofit Section and have been recognized for my nonprofit expertise in the form of two separate digital badges awarded by the AICPA (see below).

We are equally proud of our client service model, which is markedly different than other firms. We do not employ inexperienced staff to perform audits or other services on-site. Experienced and mature professionals perform on-site audit work to ensure a detailed understanding of the client's business, build strong working relationships with management, and ensure that risks are properly addressed. Our partners continue to "roll up their sleeves" and perform the work requiring greater expertise. As such, you will receive the personal attention from experienced professionals on-site that other firms do not provide - we strive to be on our client's "speed dial".

We are confident in our ability to provide quality services at competitive prices. We propose professional fees of \$9,300 to audit the financial statements of Pacific Swimming as of and for the year ended August 31, 2023. Professional fees for the preparation of Form 990 and related informational returns are \$1,700. These fees are inclusive of expenses and represent a significant

discount from our standard pricing and assume the work will be performed outside of the traditional busy season.

We hope to continue working with Pacific Swimming and admire the work that you do! Please let me know if there is any further information you desire.

Fond regards,

*Cropper Accountancy Corporation*

Mary Ann Cropper, CPA, CGMA  
Partner  
Cropper Accountancy Corporation



# Statement of Qualifications

To Serve

## Pacific Swimming



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## Firm Overview

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*Cropper Accountancy Corporation is a highly respected public accounting and consulting firm in Northern California, serving clients and growing with the greater Bay Area since 1980. Our firm consists of three partners, one senior manager, one manager, and five staff accountants. Our partners have both partnership and/or senior management experience with “Big Four” firms and in industry.*

Our partners have worked “on the other side” in industry and on boards of directors and understand your operational challenges and competing priorities. An outline of our partners’ professional experience is provided in the attached appendix.

We are a firm purposefully remaining small and less leveraged than other firms, in order to provide more personal and continuous service by highly qualified, experienced personnel.

Our client service model is markedly different than other firms. We do not employ inexperienced staff to perform audits or other services. Experienced and mature professionals perform all audit work to ensure a detailed understanding of the client’s business, build strong working relationships with management, and ensure that risks are properly addressed. Our partners continue to “roll up their sleeves” and perform the work requiring greater expertise. As such, you will receive the personal attention from experienced professionals on-site that other firms do not provide. Mary Ann Cropper will perform all audit work during the initial audit year.

We are locally owned and operated with an office in Walnut Creek, California.

We serve a variety of industries. Mary Ann Cropper is the Partner-in-Charge of the not-for-profit practice, while Bruce Cropper is the Partner-in-Charge of our insurance, brokerage, and consumer business practices, and John Cropper is the Partner-in-Charge of our government practice. Each partner has extensive expertise within those industries (see appendices).

## **LICENSE TO PRACTICE IN CALIFORNIA**

Cropper Accountancy Corporation and all managers and partners are properly registered and licensed to practice as certified public accountants in the State of California.

## **INDEPENDENCE**

Cropper Accountancy Corporation and all related personnel are independent of Pacific Swimming as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards. We ascertain independence and any potential conflicts of interest by annual independence sign-offs from all professional partners and staff, as well as representations from all partners and staff regarding potential new clients throughout the year.

## **CONTINUING EDUCATION**

All partners, managers, and professional staff meet the continuing education requirement set forth by the AICPA. All of our people receive a minimum of forty hours of continuing professional education each year through external AICPA classes and industry conferences, including a minimum of 24 hours of governmental accounting and auditing training.

## **QUALITY CONTROL AND PEER REVIEW**

Our firm is a member of the American Institute of Certified Public Accountants Division of Firms. Membership requires us to adhere to rigorous quality control standards in our accounting and auditing practice and to submit to a review of our practice by our peers.

We are proud of our peer review results and are pleased to share the results with you in the attachment. Our most recent peer review included a review of two government engagements. We have included a copy of our most recent peer review report in the Appendix.

Over and above AICPA professional standards, Cropper Accountancy is a PCAOB-registered practice firm with even stricter regulatory and quality control standards.

No disciplinary action has ever been taken by any licensing authorities against the firm.

## Not-for-Profit Expertise

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*We believe that the most effective and efficient audits are performed by professionals expert in required professional standards relevant to a particular industry and the technical issues related thereto.*

A quality financial statement presented in accordance with generally accepted accounting principles provides reliable financial information for management in fulfilling their responsibilities, as well as vital protection for trustees striving to fulfill their fiduciary duty and for external stakeholders.

Understanding the unique risk areas and systems of internal control common to not-for-profit organizations is critical to the performance of a quality audit or other professional services. Our professionals understand these issues.

One of our partners, Mary Ann Cropper, has served the not-for-profit industry in Northern California for over twenty-eight years not only in public accounting, but internally as a financial executive at Kaiser Permanente, as well as on numerous nonprofit boards of directors. Our not-for-profit practice currently audits over thirty not-for-profit organizations and consults with other organizations on governance issues, internal audit projects, forensic accounting projects, and other.

The following is a representative list of not-for-profit clients served by Mary Ann Cropper, Partner-in-Charge of our not-for-profit practice (with associations highlighted in bold):

ACLU California Action	<b>ONVIF, Inc.</b>
Agricultural Institute of Marin	<b>Open Visual Communications Consortium</b>
<b>American Academy of Ophthalmology (and related C4 organization)</b>	<b>Open ID Foundation</b>
American Civil Liberties Union of Northern California (and related C4 organization)	Orinda Community Foundation
Adopt a Special Kids	The Packard Foundation
<b>Association of California Symphony Orchestras</b>	Packard Humanities Institute
Berkeley Youth Alternatives	Planned Parenthood Advocacy Project of Los Angeles County (c4 social welfare organization)
	California Planned Parenthood Educational Foundation

**California Pharmacists Association**

California Urban Water Agencies

Chinese Progressive Association

Center for Empower Politics

Center for Empowered Politics Education Fund

Community Alliance with Family Farmers

**Connectivity Standards Alliance**

**COVESA**

Crossroads Diversified Services

Deaf and Disabled Telecommunications Program

The Energy Foundation

The Exploratorium

**EMerge Alliance**

Empower Yolo

Equal Rights Advocates

**I3 Forum**

James Irvine Foundation

Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties

Kaiser Permanente Health Plan and Hospitals

Legal Services of Northern California

**Mopria Alliance**

Parent Teacher Home Visits, Inc.

Planned Parenthood Affiliates of California (c4 social welfare organization)

Public Policy Institute of California

Public Interest Law Project

San Francisco AIDS Foundation

San Francisco Ballet

San Francisco Opera

San Francisco Symphony

San Francisco Museum of Modern Art

Stay Pleasant Hill

Studios for the Performing Arts Operating Company (CLARA)

**The Special Interest Group for IIAS Standards, Inc. (SIGIS)**

Suisun Conservation Fund

Sustainable Solano

**Thread Group**

University of San Francisco

Visit Concord

Wellspring Women's Center

**ZigBee Alliance**

## Client Service Delivery

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*We believe the most important factor to ensure a quality audit and client satisfaction is the knowledge and experience of the audit professionals serving the organization.*

Cropper Accountancy Corporation utilizes a unique client service delivery model. The highest quality services are provided by professionals specialized in the governmental industry. We do not employ inexperienced staff to perform audits or other services, and, as such, you will spend no time training our personnel. Client service partners “roll up their sleeves” and perform all on-site work in order to gain a detailed understanding of the client’s business, build strong working relationships with management and the board, and ensure that all audit risks are properly addressed. As such, you will receive on-site, personal attention from experienced professionals that other firms do not provide.

Moreover, there are significant levels of professional judgment needed in an effective and efficient audit. Such experience and judgment will inform unique audit responses in the circumstances and as professional standards allow.

Continuity is as important to us as it is to our clients. It enables us to focus on substantive issues rather than start up concerns and fosters strong client relationships and skilled analysis. As mutual partners in the firm, continuity of the audit team is assured from year to year. We are also proud of the continuity of our clients, rarely experiencing any client turnover even in industries who routinely rotate audit firms.

## SECTION FOUR

# Other Consulting Services

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### **Tax Consulting Services**

In addition to reviewing or preparing informational tax returns required of not-for-profit organizations, our professionals can provide value with regard to issues related to tax exempt status, unrelated business income, political activity, or conflicts of interests.

### **Internal Audit Services**

Mary Ann Cropper has extensive internal audit expertise after having served as the Director of Internal Audit Services at Kaiser Permanente Health Plan and Hospitals. We provide a variety of internal audit services to clients, including risk universe identification, enterprise risk management, Sarbanes-Oxley compliance, and other internal audit outsourcing services. In addition, we provide litigation support, including fraud investigation services as well.

### **Other Consulting Services**

Should other services be requested by our clients, we have the expertise to respond in a variety of other areas:

- Sarbanes-Oxley Compliance: *Assessment and evaluation of the design and operation of internal controls*
- Tax-exempt Bond Financing
- Enterprise Risk Assessments
- Internal Audit Methodology
- Preparation of Policies and Procedures
- Forensic Accounting and Fraud Investigations
- Expert Witness Testimony
- Business Valuation
- Microsoft-certified computer and network support
- Work-flow Redesign and Reengineering

# Not-for-Profit Resume for Mary Ann Cropper

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## Summary

Non-Profit and Health Care Expertise  
Big 4 Audit Senior Manager  
Director of Internal Audit for large, complex health care company  
Sarbanes-Oxley implementation experience for large, complex health care company  
Technical expert and instructor at the national level for Deloitte staff  
Experience with venture financings, IPOs, bond offerings  
Start-up company and large corporate experience

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## PROFESSIONAL EXPERIENCE

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### **CROPPER ACCOUNTANCY CORPORATION (2005-PRESENT)**

Walnut Creek, CA

#### **Partner**

### **KAISER PERMANENTE HEALTH PLAN AND HOSPITALS (2002-2005)**

Oakland, CA

*\$25B Not-for-Profit, Integrated Health Care Organization, including 8.2M members and 30 medical centers*

#### **Assistant Corporate Controller, Internal Controls and Policy**

*Responsible for Sarbanes-Oxley implementation nationally, including the following responsibilities and accomplishments:*

- Leadership of the SOX implementation team (consisting of 10 divisional controllers, as well as a new national staff of 6 direct reports and 60 consultants)
  - Demonstrated cross-functional project leadership in a matrixed environment
  - Completed project on time, highlighting and identifying business transformational opportunities and necessary incremental improvements
  - Drove business cultural change, improving accountability and educating operational units regarding risk and controls. Developed and rolled out internal controls education throughout the program
  - Developed SOX methodology, policy and procedures for all business units and divisions, researching PCAOB, SEC, and other industry guidance
- Leadership of cross-functional Policies and Procedures Committee to develop and formalize financial policy to ensure SOX compliance and establish accountability
  - Developed comprehensive approach and internal financial policy setting process, improving time to issuance and incorporating necessary SOX controls and accountability into financial policy
- Board and senior management reporting related to SOX and internal controls

- Management of corporate office SOX implementation including process documentation, creation and performance of test plans, identification of controls design and operational deficiencies and development of remediation plans

### **Director of Internal Audit Services**

*Responsible for both California divisions and a department of 45 internal audit professionals (\$5M budget), including the following responsibilities and accomplishments:*

- Development of the audit plan, resource planning, budgeting, and senior management and Board reporting
- Leadership of initiatives to improve departmental performance
  - Led development of comprehensive internal training curriculum and core competencies for all audit staff
  - Led installation of new audit management software to improve departmental planning and operations
  - Developed and implemented balanced scorecard metrics reporting and new audit reporting for business owners
- Leadership of enterprise-wide risk assessment project
  - ERA results facilitated a multi-year audit plan addressing key organizational risks and resulted in Board initiatives
- Oversight of audits, consultations, and fraud investigations and coordination with cross-functional teams including business process owners, legal, regulatory compliance, human resources, and security departments
  - Developed first-ever fraud protocols to establish accountability and process during the conduct of investigations

### **DELOITTE (1986-1993; 1996 – 2002)**

San Francisco, California

#### **Audit Senior Manager**

*Responsibilities included the following:*

- Management of recurring not-for-profit audit work and a wide variety of consulting projects. Special projects include bond offerings, review of internal controls, information systems needs analysis, and investigation of fraud and financial mismanagement
  - Named Manager of the Year by audit staff in first year of management
- Performed technical accounting research and implemented new accounting pronouncements relevant to not-for-profit clients
- Coordination of and curriculum development for partner and manager training in Northern California and National not-for-profit trainings. National and local course instructor for technical accounting courses and management training
- Presentations to and regular attendance at not-for-profit client audit and finance committees and boards of directors meetings

- Management of campus recruiting activities, including event planning, classroom presentations, and interview schedules. Conducted interviews for new and experienced hire candidates

#### **OTHER ACTIVITIES AND PROFESSIONAL AFFILIATIONS**

- Certified Public Accountant, State of California, 1990
- Stake Primary President (children's auxiliary)
- Marcus A. Foster Educational Institute, Former Board Member and former Treasurer
- Cerebral Palsy Center of the Bay Area, Former Board Member
- BYU Marriott School of Management, Alumni Board
- American Institute of Certified Public Accountants
- Institute of Internal Auditors
- Financial Executives Institute

#### **EDUCATION**

B.S. in Accounting, cum laude, Brigham Young University, Provo, Utah 1986  
Northwestern Executive MBA Programs

#### **LANGUAGES**

Conversational Japanese and basic German

## Outline of Partner Experience

Team Members	Bruce Cropper	Mary Ann Cropper	John Cropper
<i>Years of Experience</i>	55	35	30
<i>Role</i>	<b>Technical Review Partner</b>	<b>Lead Client Service Partner</b>	<b>Advisory Partner</b>
<i>Current and Prior Professional Experience</i>	Bruce Cropper established his own audit firm over thirty-five years ago and has since been joined by family members in the firm. Their individual experience is as follows:		
<ul style="list-style-type: none"> <li>- “Big Four” experience</li> <li>- Industry experience</li> </ul>	<p><b>Partner, KPMG</b></p> <p><b>Chief Financial Officer</b>, National Grain Company</p>	<p><b>Senior Manager, Deloitte</b></p> <p><b>Director of Internal Audit</b>, Kaiser Permanente</p> <p><b>Assistant Corporate Controller</b>, Kaiser Permanente</p>	<p><b>Partner, Armanino and McKenna LLP</b></p> <p><b>Corporate Controller</b>, Virtual Education</p>
<i>Professional Certifications</i>	CPA	CPA, CGMA	CPA, CGFM, CGMA
<i>Education</i>	MBA, University of California, Berkeley  BS, University of California, Berkeley	BS, Brigham Young University	BS, Brigham Young University
<i>Community</i>	Former president and member of the Board of the Acalanes Union High School District	Treasurer, Interfaith Council of Contra Costa  Stake Primary President (children’s auxiliary)  Treasurer, Marcus Foster Educational Institute for the Oakland Public Schools	Treasurer, Contra Costa County PAC Committee  Former member of the CSCPA state GASB committee

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## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

November 30, 2022

To the Shareholders of  
Cropper Accountancy Corporation  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Cropper Accountancy Corporation (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2022. 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 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 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 and an examination of a service organization SOC 1® engagement.

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 Cropper Accountancy Corporation applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2022, 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*. Cropper Accountancy Corporation has received a peer review rating of *pass*.

*Watson Coon Ryan, LLC*

Watson Coon Ryan, LLC