



Request for Proposal #19-027  
Forensic Audit or Analysis

City of Brighton



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Portland, OR 97229  
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www.MarshMinick.com

## Letter of Interest

September 9, 2019

Regarding: Forensic Audit or Analysis

Please consider the enclosed proposal to provide a Forensic Audit or Analysis for the Water, Waste Water, and Storm Drainage Utility funds ("Utilities") in response to the Request for Proposals (RFP) #19-027 due on September 13, 2019 by the City of Brighton.

**Scope of Work Summary** Perform an analysis of Utilities funds, including utility operating revenue and plant investment fee funds, utility operating and growth expansion expenses, and utility operating and capital budget funds to identify discrepancies or questioned costs for these individual utility funds and confirm sources and usage of these funds.

**About Audit Services** At the onset of the forensic audit, a week-long onsite inspection is proposed at the City's Utilities Department office for an introductory meeting with stakeholders and to perform information gathering of records, files, documents and data. The forensic auditors will scan and electronically capture records and seek data system reports from financial and operational systems, as needed. Information gathered will include bank statements, general ledger accounts, financial transactions, audited financial statements, financial management reports like budgets, policies and procedures, and other supporting information. Interviews will be conducted throughout the forensic audit with individuals that may have helpful information or evidence, such as current and former employees, management, board members, vendors and service providers. The forensic audit will discover variances, discrepancies, questionable activity, and evidence of any suspicious activity such as fraud, waste, abuse or mismanagement. A report of findings will be issued at conclusion of each forensic analysis that was performed, and for each utility and the Council Study Session. The expected duration of the forensic audit is four months from start to conclusion.

**Best and Most Qualified Firm** Marsh Minick is a specialized audit firm that solely practices forensic audits and analysis, risk and compliance engagements, and financial investigations. Our clients are government and publically funded agencies. Marsh Minick's forensic audit team is highly qualified, capable and skilled in this field. The firm's two Principal owners personally render services, and each have advanced master's degrees in financial forensics, bachelor's degrees in accounting and management, and specialized credentials as fraud examiners and financial crime investigators. We are a small women owned business and provide nationwide services.

We entrust you will find this proposal informative and competitive. Please contact us by telephone at 971-266-1846 or by email at [melissa@marshminick.com](mailto:melissa@marshminick.com).

Sincerely,

Marsh Minick, P.C.



*Brand Marsh*



*Melissa Frick Minick*



## Project Understanding

In preparation for submission of this proposal, Marsh Minick reviewed the RFP #19-027 in detail to understand the City's scope of work and deliverable expectations. Additionally, Marsh Minick performed online research about the City's Utilities Department, and news media coverage published about the forensic audit and analysis.

According to the City's RFP section 13 "Scope of Services" parts A to I, the scope of the forensic audit is to examine the sources and uses of funds for the period January 1, 2008 through June 30, 2019 of the Water, Waste Water, and Storm Drainage Utilities, and confirm the December 31, 2018 ending fund balances in each utility. This includes analysis of funding sources and expenditures reported on the financial statement and general ledger. During the forensic audit and analysis, discrepancies and questioned costs are to be identified. There is to be several finding reports issued for this examination upon conclusion for each analysis performed, and delivered to the respective Utility and Council Study Session.

The predicate for the forensic audit is a surplus of funds and allegations reported publicly in news media. From the reporting, it appears the purpose of the forensic audit and analysis is for fact-finding that will answer how the City accumulated a surplus of utility funds, to determine if appropriated money was spent according to the City's financial management plans, expectations and demands, and follow the money from the point of revenue collection through to expenditures. The utilities were reported as having accumulated an approximate \$70 million in surplus fund, which seems problematic for a City population of about 40,000 residents. Additionally there have been allegations reported publicly of possible exorbitant and unreasonable utility rates, fake projects, fictitious debt, and other alleged misconducts. The news media coverage has indicated citizens are seeking answers, and that some individuals have expressed feeling friction within the City Council.

Marsh Minick is the best and most qualified firm for this engagement because we are financial forensic experts who are certified fraud examiners and financial crime investigators. Therefore, in the event that there is any suspicious activity identified during the examination, Marsh Minick will utilize investigative tactics and techniques to gather fact-based evidence of mismanagement, waste, abuse or fraud. Marsh Minick are experts in performing government forensic audits and analysis and fulfilling work services for politically motivated environments, and when there is public or news media scrutiny.



## Project Approach

The approach and plan for this proposal was based on Marsh Minick's experience with forensic audits. The scope of work services and agreed upon procedures are as follows:

- Analyze the source and uses of funds for Water, Waste Water, and Storm Drainage Utilities for the period of 2008 to June 30, 2019 for the following:
  - Operating or rate revenue verses plant investment fees
  - Operating expenses verses growth or expansion expenses
- Confirm the source and uses of funds with financial statement balances reported on Comprehensive Annual Financial Report for the applicable years 2008 to 2018 and to the City's general ledger for the most current period.
- Analyze operating and capital budgets for the years 2008 to June 30, 2019 for the Water, Waste Water, and Storm Drainage Utilities to determine if funds were authorized per City Council's appropriation.
- Report detailed revenue discrepancies for each utility fund, for three separate reports
- Report detailed discrepancies or questioned costs by year by each utility fund, for three separate reports.
- Report detailed budget operating expenses verses actual operating expenses, and budgeted capital projects verses amount spent on capital projects, for the period of 2008 to June 30, 2019, for three separate reports.
- Present final reports and findings to Council Study Session.

### Work Plan

Marsh Minick performs auditing services using a risk-based approach method. The purpose of doing this is to maximize efforts and return the most meaningful results targeted on areas where there are perceived or known problems, heightened risk, allegations and grievances. A risk-based method is superior in that it increases the likelihood of achieving objectives.

The audit work services are to occur over three stages:

1. Information Gathering
2. Financial Analysis and Forensic Testing
3. Evaluate Results, Report and Recommendations

### Planning and Information Gathering

Marsh Minick proposes an onsite inspection anticipated to be a week-long in duration at the City's Utilities offices. During the onsite inspection, forensic auditors will gather information, records, documents and data necessary to fulfill the work services. The onsite inspection will



include an introductory meeting with City and Utility primary stakeholders for this examination. Interviews with key individuals will be performed, including with past and present council members, management, employees, vendors and any others deemed to have helpful information or evidence to full work services.

In preparation for the onsite inspection, Marsh Minick will provide, prior to our arrival, a detailed agenda and list of the information that will be requested by forensic auditors for inspection while onsite. When documents, records, information and data is lost, missing, destroyed or otherwise inaccessible to turn over to forensic auditors, Marsh Minick will employ alternative methods to recover the information requested using investigative tactics and techniques. Generally, the information request at least includes the following:

- Organizational chart for City and Utility offices in scope, stakeholders that perform control and financial functions, and with contact details for interviews to be performed
- Known timeline of concerns or problems, and description of predicated issues
- Policies pertaining to controls, risk management, financial management, financial handling, authorization limits, appropriation's, and City resolutions
- Procedures for critical controls and financial functions, such as bookkeeping general entries and ledger postings, end of month, quarter and yearly reports, transaction processing, approval limits and overrides, reconciliation of accounts and transactions, bank statements, check copies, receipts, tallies, meeting minutes, resolutions, approved budgets, allocation justifications, and oversight functions.
- Electronic database exports/downloads, and reports will be gathered, along with paper-based records scanned. Emails and computer files will be sought and when successfully acquired will be utilized during the examination.

Marsh Minick will review the information received and collected, and may later request additional information if necessary.

#### Financial analysis and forensic testing

After the risks have been identified, controls analyzed, and financial records collected, Marsh Minick will begin forensic analysis and testing of financials, including general ledger, financial statements, bank accounts, revenue and expenditures, and money-movements. Marsh Minick uses a technology called IDEA Caseware Analytics<sup>1</sup> which is a reputable and powerful data analytic tool for forensic auditors. It allows Marsh Minick to perform extensive analysis of large volumes of data, perform complex comparisons of data across multiple sources, and use advanced filters.

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<sup>1</sup> <https://www.casewareanalytics.com/products/idea-data-analysis>



IDEA allows Marsh Minick to expediently perform financial forensic analysis. Using IDEA increases the capabilities of forensic auditors to identify anomalies, patterns, or trends in the records and data that are suspicious or problematic. IDEA maintains an audit trail of all analytics performed, which supports chain of evidence procedures, and provides empirical evidence testing for repeatability. IDEA produces reports, graphs and other exportable content Marsh Minick may utilize for the final report of findings.

Marsh Minick is proposing to conduct the forensic analysis using empirical methods of observations and experiments, and where possible can perform forensic testing at 99% confidence level with a 2% confidence interval (+/- margin of error). In the event a suspicious pattern emerges, Marsh Minick may seek to expand sampling to include additional samples for hypothesis testing of red flags or other suspicious activity for further analysis. Examples of forensic analysis and testing are:

- Comparing financial transactions and financial bookkeeping activities, such as receipts, reconciliation, bank statements and other financial management documentation
- Horizontal analysis of financial statements and budgets, year over year
- Comparative analysis between fund revenue and expenses, expenses and City appropriations, revenue and the authorized source of funds.
- Discrepancy detection, with financial handling and process records
- Accuracy, completeness, and process mistakes in records, files, and entries
- Irregular revenue and expenditure recording entries
- Unusual payments and billing, such as invoices, change orders and payments
- Financial statement or report manipulation
- Schemes, misappropriation, or trends of inconsistencies, or rubber stamping
- Other substantive forensic analysis or tests to expose suspicious activity

#### Evaluate Results, Report and Recommendations

After the forensic analysis and testing, results will be evaluated by forensic auditors and used to prepare the findings reports that will be delivered at conclusion of the examination. A findings report for each scope area of analysis will be prepared to the respective Utility and the City's Council Study Session and delivered electronically. The separate reports will detail engagement procedures that were performed, provide results of the financial analysis and forensic testing, and offer any recommendations for remediation and improvement. If the testing identified any fraud, waste, abuse, or mismanagement, then evidence will included with the report. If recommendations are made, they will be for remediation and improvements that are meaningful and practical.



The final reports come with an oral delivery video that will immerse the City stakeholders into the findings of the forensic audit, by showing evidence that corresponds with the report, and describing how to approach action planning based on the recommendations. The findings report and oral delivery video will be provided to the City using an electronic medium, such as file transfer, USB or C.D.

### Methodology

Marsh Minick utilizes standards and best practices by jointly published professional guidance from the Government Accountability Office GAGAS, the Association for Certified Fraud Examiners, and the International Association of Financial Crime Investigators. In all, these organizations expect Marsh Minick to exercise professional skepticism and be independent examiners for the forensic audit so that it may be deemed credible. The culmination of standards employed by Marsh Minick is to ensure the City receives an accurate, highly professional, and reliable report of findings.

### Data and File Transmission

The auditors prefer to utilize electronic records; therefore Marsh Minick will scan paper-based records and provide a secure and easy way to electronically transmit files using IronBox<sup>2</sup> an encrypted file transmission system. Marsh Minick will provide the City with a URL link to a client folder on IronBox that is password protected, and then file sharing can begin. Records are retained by Marsh Minick for no more than 3 years after the date of the services rendered.

### Potential Audit Problems

Marsh Minick is cognizant that an audit may feel like an annoyance to the everyday dealings for the City and individuals involved; therefore, the audit team commits to working independently with minimal disruptions as possible. If an issue arises, Marsh Minick will reach out to the City with resolutions or recommendations to overcome challenges.

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<sup>2</sup> [www.goironbox.com](http://www.goironbox.com)



## Capabilities and Experience

### a) Firm Experience

Marsh Minick has performed similar work services under similar timeframes in the past for clients. Our work services have been trusted by all forms of government agencies nationwide, including federal, state, county, city, tribal, municipal boards, and offices.

Types of Past Clients: Forensic Audit, Risk, Compliance & Investigation Services	
County Agencies	Pulaski County Court, Arkansas
	Saline County Board, Illinois
	Marion County Juvenile Dept., Oregon
Public Funded Agencies	Cascadia Behavioral Healthcare Oregon Affordable Housing Agency
	Washoe Housing Authority Washoe Tribe of Nevada and California
	Hazlehurst Housing Authority Hazlehurst, Mississippi
State Agencies	Oregon Secretary of State Audits Division
	Oregon Department of Justice, Criminal Justice Division
	Oregon Department of Consumer and Business, Division of Financial Regulation
City Agencies	Teacher's Retirement System of New York City
	City of Seattle's Treasury Cashier Team
Federal Agencies	U.S. Department of Treasury, Office of Comptroller of Currency

Marsh Minick's engagements are usually short-term duration, usually lasting between three to six months, as our audit firm performs unique special auditing, financial forensics, and risk-based compliance and investigation services that is solely project-based. Five references are being provided with a summary of work services performed and contacted details for past clients, and where available a publicly available sample report. Forensic audit findings reports are evidenced based and not a matter of opinion.



## b) Firm Capabilities

Marsh Minick, P.C. is a specialized audit firm solely dedicated to performing forensic auditing, internal control evaluations, risk and compliance assessments, and financial investigations. Our clients enjoy services personally rendered and delivered by the firm's principal owners. We work directly with clients and have an open line of communication, which upholds the value of excellent client satisfaction. We are a small women owned business dedicated to providing quality work services, because our personalized names are on each deliverable.

Marsh Minick is the best and most qualified firm because we have over 30 years of combined practice in this field. We are highly qualified and capable auditors, and our report of findings include results from forensic analysis and testing of financial records, transactions and accounts, assessment of internal controls, and with practical recommendations for reconciliation, remediation and improvement. Our clients are government entities, publicly-funded and community-funded organizations.

Marsh Minick is experienced with conducting examinations under high pressure, scrutiny, and where there are conflicts among parties, with disagreements, grievances, allegations, and political motivations. Our approach is to be independent examiners, and rely on fact-based evidence that are not matters of opinion.

Marsh Minick's professional and firm details and experience includes specialized credentials and advanced university degrees, below is a summary of the Principal practitioners:

- Association of Certified Fraud Examiners (CFE)
- International Association of Financial Crime Investigators (CFCI)
- Association of Certified Anti-Money Laundering Specialists (CAMS)
- U.S. Department of Justice, Federal Bureau of Investigations (FBI) Citizen Academy



c) Resumes for Brandi Marsh and Melissa Frick Minick

<b>Principal Owners of Marsh Minick, P.C.</b>	
<b>Melissa Frick Minick, MS, CFE, CFCI</b>	<b>Brandi Marsh, MS, CFE, CAMS, CFCI</b>
	
<b>Forensic Audit Manager &amp; Point of Contact</b>	<b>Lead Forensic Auditor</b>
Melissa@MarshMinick.com	Brandi@MarshMinick.com
<ul style="list-style-type: none"> <li>• Master of Science: Financial Forensics</li> <li>• Bachelor of Science: Business Management</li> </ul>	<ul style="list-style-type: none"> <li>• Master of Science: Financial Forensics</li> <li>• Bachelor of Science: Accounting</li> </ul>
<ul style="list-style-type: none"> <li>• Certified Fraud Examiner</li> <li>• Certified Financial Crime Investigator</li> <li>• FBI Citizens Academy Certificate</li> </ul>	<ul style="list-style-type: none"> <li>• Certified Fraud Examiner</li> <li>• Certified Financial Crime Investigator</li> <li>• Certified Anti-Money Laundering Specialist</li> </ul>





**Melissa Frick Minick, MS, CFE, CFCI**  
Portland, Oregon

*Melissa Frick Minick has more than 15+ year experiences as a financial crime and risk management professional. Her experience was gained while working at financial institutions, and as a professional consultant and government contractor.*

*Subject matter expertise includes fraud, anti-money laundering, risk and compliance programs, investigations, forensic auditing, forensic data analytics, financial crime technology, and loss prevention.*

**Education:**

Master's School: Carlow University, Pittsburg, Pennsylvania, USA 2014  
College of Leadership and Social Change  
Master of Science  
Major: Fraud and Financial Forensics

Bachelor's School: Eastern Oregon University, La Grande, Oregon, USA 2013  
College of Business Administration  
Bachelor of Science  
Major: Business Management, Organization, and Leadership

**Certifications:**

Association of Certified Fraud Examiners  
Certified Fraud Examiner (CFE)  
License #622987, since 2012

International Association of Financial Crime Investigators  
Certified Financial Crime Investigator (CFCI)  
License #28635, since 2013

United States Department of Justice:  
Federal Bureau of Investigation Citizens Academy  
Portland Chapter, 2013

**Honorary:**

International Management of Accountants, Portland Chapter  
Panel Speaker/Presenter for *The Ethics of Risk Management*, 2017  
Oregon Association of Certified Fraud Examiners  
Guest Presenter for *Financial Crime in the Legalized Marijuana Industry*, 2016  
Association of Certified Fraud Examiners, Portland Chapter  
Board Member, Treasurer, 2015-2017  
University of North Carolina (UNCC)  
Guest Speaker/Presenter for *Criminal Intelligence and Terrorism Courses*, 2014



## Professional History:

### *Bank Examiner: Office of the Comptroller of Currency, U.S. Department of the Treasury*

*January 2017 – Present | On-Call Master Agreement*

- Provide national bank examination services and related tasks throughout the United States acting on-call and as-needed by the OCC.
- Approved to perform examinations for Bank Secrecy Act, and related Anti-Money Laundering (BSA/AML) laws and regulations, and Office of Foreign Assets Control (OFAC) regulations
- Related tasks may include assistance with FFIEC BSA/AML Examination Manual, OCC bulletins, advisories, and alerts and Financial Crimes Enforcement Network (FinCEN) and OFAC interpretations and guidance.
- Approved for BSA/AML compliance risk management systems, including board and management oversight, organizational structure and staffing, risk assessment, customer and enhanced due diligence (CDD/EDD), suspicious activity monitoring (SAR/FIU), training programs, and independent testing.

### *Fraud Risk Assessment Manager, Client: New York City's Teachers' Retirement System*

*September 2018 – January 2019 | Assignment Completed*

- Managed and conducted an external and internal fraud risk assessment that was comprehensive for active and retired member's pension and retirement products and plans.
- Performed extensive interviews and analyzed complex legal, operational, risk and technology documentation.
- Provided 10 sessions of training to executives, management, and staff regarding fraud risks, schemes and procedures unique to the organization.
- Delivered a 200+ page final report from the fraud risk assessment with findings, recommendations, a fraud risk matrix, sample and supplementary materials.

### *Forensic Audit: Hazlehurst Housing Authority*

*May 2019 – August 2019 | Assignment Completed*

- Managed and performed a forensic audit of the Hazlehurst Housing Authority based on the allegation of possible fraud, waste and abuse, conducted by the prior Executive Director and board.
- The examination included an examination and review of over 2 Gigabytes of paper based records, Office internal controls and policies, Board records, vendor contracts, procurement records, and financial transaction records.
- Interviewed over 16 individuals with knowledge of possible fraud, waste, or abuse of grant money, the interviews were to gather information from staff.
- The examination identified just over \$748,000 of a financial impact to the organization that included misconduct, waste, abuse and mismanagement of funds.

### *Forensic Audit: Washoe Housing Authority*

*June 2018 – November 2018 | Assignment Completed*

- Managed and performed a forensic audit of the Washoe Tribe of Nevada and California Housing Authority based on the allegation of possible fraud, waste and abuse, and non-compliance with 2-CFR-200 grant requirements.
- The examination included an examination and review of over 56 Gigabytes of paper based records, Office internal controls and policies, Board records, vendor contracts, procurement records, and financial transaction records.
- Interviewed over 16 individuals with knowledge of possible fraud, waste, or abuse of grant money, the interviews were to gather information from staff.
- The examination identified \$5,438,715 to \$6,669,546 of a financial impact to the organization that included misconduct, waste, abuse and mismanagement of funds.

### *Forensic Audit: Saline County Clerk & Recorder's Office*

*July 2017 – August 2017 | Assignment Completed*

- Managed and performed a forensic audit of a Clerk and Recorder's Office based on the allegation of possible fraud, waste and abuse, and non-compliance with court orders.
- The examination included an examination and review of over 70 Gigabytes of paper based records, Office internal controls and policies, Board records, and statutes and laws.
- Interviewed over 20 individuals with knowledge of possible fraud, waste, or abuse of taxpayer money, the interviews were to gather information and seek an admission from government officials, union employees, contractors/vendors, attorneys, accountants, inspectors and law enforcement officers, and the community.



*Forensic Audit: Pulaski County Arkansas, County Attorney's Office for Yorkwood District  
July 2017 – August 2017 | Assignment Completed*

- Managed and performed a forensic audit of taxpayer money for a community facility and discovered nearly \$90,000 in unverified expenses, and possible fraud, waste and abuse.
- The examination included a review of taxpayer and facility records spanning 38 years, 1978-2016, and had major findings of deception by contractors and vendors and improper compensation paid to government officials.
- Interviewed 21 individuals with knowledge of possible fraud, waste, or abuse of taxpayer money, the interviews were to gather information and seek an admission from government officials, district association members, contractors/vendors, attorneys, accountants, inspectors and law enforcement officers, and the community.

*Investigative Examiner: Oregon Secretary of State, Audits Division  
May 2016 – June 2017 | Assignment Completed*

- Managed and performed an investigative examination of the State's Department of Energy tax credit program, which identified \$347 million that was a "concern" for fraud, waste or abuse; as-needed provide expert testimony as to the findings of the examination.
- The examination included a review of nearly 15,000 physical tax credit files and accompanying database electronic file records, for a \$2.4 billion dollar tax credit program.
- Interviewed 42 individuals with knowledge of possible fraud, waste or abuse at the State agency, the interviews were for information-gathering and admission-seeking purposes, and included employees, directors, program managers, division administrators, policy advisors, and state legislators.

*Policy Advisor: Oregon Dept. of Consumer & Business, Financial Regulation Division  
June 2016 – February 2017 | Assignment Completed*

- Member of a committee for House Bill 4094 providing policy advice to Oregon regarding financial regulations for state chartered banks and credit unions pertaining to BSA/AML, FinCEN and the Department of Justice (Cole Memo).
- Meet directly and as a group with the Secretary of Treasury, legislators, policy employees, and other industry leaders in financial services regarding complex BSA/AML regulatory issues.
- Aide with the creation of proposed statutes that will be used to draft and pass bills into law for financial crime regulation for Oregon banks, credit unions, and money service businesses.

**Financial Institutions: Wells Fargo, TIAA-CREF, Umpqua Bank - 2003 – 2015**

*Umpqua Bank: Vice President, Manager of Enterprise Fraud, Risk & Security  
December 2014 – August 2015*

- Manage the enterprise financial crime program and risk strategy staff for fraud and AML data.
- Responsible for and oversaw all fraud prevention, investigation, and claim management processes across all business lines, products, and customer segments.
- Championed and implemented data and technology solutions such as enterprise financial crime systems, solutions and case management.
- Support bank security functions such as branch cameras and alarms, and was responsible for robbery response with the FBI and FDIC.
- Oversee proper bank functions pertaining to fraud and AML compliance and risk, such as SARs to FinCEN.
- Address, report and consult regularly to the Chief Auditor, CEO, and Board of Directors regarding financial crime subject-matter and incidents.

*TIAA-CREF Financial Services: Director, Enterprise Financial Crime Fraud and AML  
January 2014 – December 2014*

- Perform fraud risk assessments for all products and services offered and establish internal controls for fraud monitoring, detection and deterrence.
- Established the Fraud and AML special investigations unit (FIU) department for pension and annuity products; implement policies, procedures, processes, and interviewed and hired qualified experts for financial crime duties.
- Established and managed the financial crime analytics department, responsible for artificial intelligence systems to detect financial crime enterprise-wide.



- Steward for enterprise-wide financial crime compliance operations; approve policy and data definitions, use parameters, conditions, monitor for quality, seek out alternative sources, and govern governance for all functions and units across all business lines.
- Key contributor to the implementation AML and fraud companywide software for financial crime alerting, investigating, and reporting.

*Wells Fargo Bank: Officer and Supervisor for Financial Crimes Risk, Fraud and AML  
March 2003 – January 2014*

- Responsible for detection of fraud and AML crime rings and crime syndicates, and blocking/closing accounts with fraudulent and suspicious AML activity for consumer, business, and brokerage accounts.
- Investigations for BSA/AML compliance in the FIU; responsible for working alerts of suspicious activity such as structuring of cash transactions, burst activity, funnel activity, out-of-pattern transactions, OFAC alerts, and other red-flags.
- Responsible for monitoring customer activity and reporting suspicious activity (SARs) to FinCEN. Assisted law enforcement with active cases involving terrorism, drug syndicates, money-laundering, corruption, and other crimes.
- Assisted with customer onboarding and screening for CDD, EDD, and KYC functions; as well as for filing of CTRs.
- Test and tune bank-wide financial crime detection technology, and assist with project implementation of new systems and alerting channels.
- Responsible for check, payment card, and ATM fraud claims, including filing of SARs due to fraud instances.
- Item and payment rejections and reclamations from the US Treasury, such as ACH and Wire returns for OFAC reasons, IRS tax and Social Security/Disability fraudulent payments.
- Compliance and loss prevention for home mortgage and credit card products, such as customer contact and disclosure laws like REG Z truth in lending and HMDA home mortgage disclosure act.





**Brandi Marsh, MS, CFE, CFCI, CAMS**  
Portland, Oregon

*Brandi Marsh specializes in forensic and compliance auditing, financial crime risk management, and investigations. Her experience was gained while working in financial institutions, and as a professional consultant and government contractor.*

*Her subject-matter expertise includes fraud, money laundering, corruption, organized crime, financial crime compliance examinations and audits, and risk assessments.*

**Education:**

Master's School: Carlow University, Pittsburg, Pennsylvania, USA 2014  
College of Leadership and Social Change  
Master of Science  
Major: Fraud and Financial Forensics  
GPA: 4.0

Bachelor's School: Eastern Oregon University, La Grande, Oregon, USA 2013  
College of Business Administration  
Bachelor of Science  
Major: Business Accounting

**Certifications:** Association of Certified Fraud Examiners  
Certified Fraud Examiner (CFE)  
License #603075, since 2012  
International Association of Financial Crime Investigators  
Certified Financial Crime Investigator (CFCI)  
License #E10176, since 2013  
Association of Certified Anti-Money Laundering Specialists  
Certified Anti-Money Laundering Specialist (CAMS)  
License #196211, since 2009

**Professional History:**

*Bank Examiner: Office of the Comptroller of Currency, U.S. Department of the Treasury  
January 2017 – Present | On-Call*

- Provide national bank examination services and related tasks throughout the United States acting on-call and as-needed by the OCC.
- Approved to perform examinations for Bank Secrecy Act, and related Anti-Money Laundering (BSA/AML) laws and regulations, and Office of Foreign Assets Control (OFAC) regulations.
- Related tasks may include assistance with FFIEC BSA/AML Examination Manual, OCC bulletins, advisories, and alerts and Financial Crimes Enforcement Network (FinCEN) and OFAC interpretations and guidance.
- Approved for BSA/AML compliance risk management systems, including board and management oversight, organizational structure and staffing, risk assessment, customer and enhanced due diligence (CDD/EDD), suspicious activity monitoring (SAR/FIU), training programs, and independent testing.



*Fraud Risk Assessment Auditor: Client: Teacher's Retirement System of the City of New York  
September 2018 – February 2019 | Assignment Completed*

- Conducted an external and internal fraud risk assessment that was comprehensive for active and retired member's pension and retirement products and plans.
- Performed extensive interviews and analyzed complex legal, operational, risk and technology documentation.
- Provided 10 sessions of training to executives, management, and staff regarding fraud risks, schemes and procedures unique to the organization.
- Delivered a 200+ page final report from the fraud risk assessment with findings, recommendations, a fraud risk matrix, sample and supplementary materials.

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May 2019 – August 2019 | Assignment Completed*

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*Forensic Auditor: Pulaski County Arkansas, County Attorney's Office  
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- The examination included a review of taxpayer and facility records spanning 38 years, 1978-2016, and had major findings of deception by contractors and vendors and improper compensation paid to government officials.

*Auditor: Washington State, Office of Financial Management  
February 2017 – Present | On-Call*

- Perform various audit and review services aligned with Institute of Internal Auditor (IIA) standards on-call and as-needed for Washington State.



- Examination areas of focus may include local governments, risk assessments, legal compliance, internal controls, federal grants, and forensic auditing.
- Provide research support for laws, regulations, and policies and procedures for compliance; and provide litigation support/expert testimony for audit work performed.

*Investigative Examiner: Oregon Secretary of State, Audits Division  
May 2016 – June 2017 | Assignment Completed*

- Performed an investigative examination of the State's Department of Energy tax credit program, which identified \$347 million that was a "concern" for fraud, waste or abuse; as-needed provide expert testimony as to the findings of the examination.
- The examination included a review of nearly 15,000 physical tax credit files and accompanying database electronic file records, for a \$2.4 billion dollar tax credit program.

## **Financial Institution - 1997 – 2015**

### **Wells Fargo Bank**

**June 1997 – July 2015**

*Assistant Vice President, Financial Crimes Consultant*

Financial Crime and Risk Department Specialties:

- *Quality Review of Financial Regulatory Reports*
- *Financial Institution Investigation Group for Correspondent Banking*
- *Risk Exposure Team for Internal and External Risks*
- *Special Investigations for Financial Crime*
- *Domestic Investigations for Financial Crime*
- *High Risk Customer Surveillance Team for Financial Crime*
- *Money Service Business Research and Regulatory Reporting*
- *Loss Prevention for Card Services*
  - Audit AML, fraud and risk controls to identify deficiencies, address any recommendations for improvement
  - Create, ad-hoc test, and implement strategies and controls to mitigate emerging risks
  - Resolve situations with significant reputational monetary, and regulatory risk with high exposure, based on the company risk profile and tolerance policies
  - Manage the risk exposure of multi-million dollar relationships and special investigations
  - Perform and oversee financial crime investigative work that is highly complex using multiple forensic, statistical and analytical tools
  - Planning, integration and analysis of cutting-edge new financial products, services, and technologies including altering systems and reports for compliance and risk governance
  - Perform quality, effective and reliable data and technology testing with recommendations
  - Approve and advise of actions on active high-risk financial crimes
  - Lead programs and project initiatives that includes strategy, testing, implementing and evaluating for risk and compliance goals
  - Effective communications with cross-channel staff, law enforcement, regulators, attorneys, and executive management
  - Perform forensic analysis and forensic accounting techniques on financial records and statements to ascertain trends and patterns that may be indicative of red flag activity
  - Oversee BSA, USA Patriot Act, and OFAC compliance across all financial products and business lines



## Firm References

Business Reference #1	
Company Name	Hazlehurst Housing Authority
Company Address	150 Roebuck Court, Building #36, Hazlehurst, Mississippi, 39083
Contact Person's Name and Title	Ms. Alice Bishop, Executive Director or Jeanice Ayers, Office Manager
Contact Information	601-894-1566
Time period for services	May 2019 – August 2019
<b>Brief description of the services:</b> Marsh Minick performed a forensic audit for the Hazlehurst Housing Authority (HHA), recommended by the US Department of Housing and Urban Development (HUD). Marsh Minick was contracted in May 2019 to August 2019 to perform a forensic audit of HHA following public allegations that HHA's former Executive Director and board had mismanaged federal grant funds, misused HHA credit cards for personal expenses, and abused and falsified invoices, receipts, and travel records. The audit included analyzing four years of records, including evaluating grant funds with 2 CFR 200, housing rents, expenditures, payroll records, vendor records, budgets and financial statements, bank records, credit card statements, and all deposits and checks. In addition to reviewing 2.05 Gigabytes of financial documents, contracts, and legal information, Marsh Minick conducted 16 interviews with HHA employees, law enforcement investigators, housing residents, and Vendors/Contractors. There were significant fraud, waste, and abuse discovered originating from the former Executive Director that remained impeded during the period due to the lack of board oversight. The forensic audit was undertaken amongst news media attention around allegations of corruption and embezzlement made by the prior HHA management and board. Marsh Minick worked successfully through the challenges of a highly volatile and political client atmosphere in a successful way. We worked closely both with the current HHA staff and board, and investigating agencies, to determine the depth of the financial impact, which was found to be almost \$750,000 in financial mismanagement, fraud, waste and abuses.	

Business Reference #2	
Company Name	Washoe Tribe of Nevada and California
Company Address	919 Highway 395 North, Gardnerville, Nevada 89410
Contact Person's Name & Title	Ms. Roberta Reed, Chief Financial Officer
Contact Information	Roberta.reed@washoetribe.us
Time period you provided services	June 2018 – November 2018
<b>Brief description of services:</b> Marsh Minick performed a forensic and compliance audit for 2 CFR 200 for HUD grants for the Washoe Housing Authority (WHA), ordered by the Washoe Tribe of Nevada and California. Marsh Minick was contracted in June 2018 to November 2018 to perform a forensic audit of WHA following public allegations that WHA's management and board had mismanaged federal grant funds, misused WHA credit cards for personal expenses and cash withdrawals, and abused and falsified paid time off and other time payroll records. The audit included analyzing three years of records, including evaluating grant funds with 2 CFR 200, housing rents, expenditures, payroll records, vendor records, budgets and financial statements, bank records, credit card statements, and all deposits and checks. In addition to reviewing 81.8 Gigabytes of financial documents, contract, and legal information, Marsh Minick conducted 16 interviews with WHA employees, Tribal members, and Vendors/Contractors. There were significant workplace hardships, like employee turnover that led to the problems. The forensic audit was undertaken amongst news media attention around allegations of corruption and embezzlement made by the prior WHA management and board, and political pressures between WHA and the Tribe. Marsh Minick worked successfully through the challenges of a highly volatile and political client atmosphere in a successful way. We worked closely both with the WHA staff and board, and the Tribe Members, to determine the depth of the financial impact, which was found to be over \$1 million in financial mismanagement and abuses.	



<b>Business Reference #3</b>	
Company Name	Saline County Board, Illinois
Company Address	10 E. Poplar Street, Harrisburg, IL 62946
Contact Person's Name & Title	Ms. Helen Dunn, Board Secretary
Contact Information	618-252-6905 or Countyboard02@hotmail.com
Time period you provided services	September 2017 – December 2017
Brief description of services:	
Public Media: <a href="http://www.wsiltv.com/story/37400093/forensic-audit-finds-mismanagement-abuse-in-saline-co-clerks-office">http://www.wsiltv.com/story/37400093/forensic-audit-finds-mismanagement-abuse-in-saline-co-clerks-office</a>	
Public Report: <a href="https://docs.google.com/viewerng/viewer?url=http://WSIL.images.worldnow.com/library/d9924da5-0d48-4bd0-be93-b6e4fce0963d.pdf">https://docs.google.com/viewerng/viewer?url=http://WSIL.images.worldnow.com/library/d9924da5-0d48-4bd0-be93-b6e4fce0963d.pdf</a>	
Marsh Minick performed a forensic audit of a Clerk and Recorder Office, ordered by the County Board Committee. Marsh Minick was contracted in September 2017 to perform a forensic audit of the two offices following public allegations that the elected Officeholder had mismanaged taxpayer funds and was noncompliance with a court order and state laws. The audit included analyzing two-years of all Officeholder's functions and accounting, including forensically testing County money received from the public over-the-counter; County payroll, pension and health insurance plans; County tax levies and payments; County budgets and financial statements. In addition to reviewing 70 Gigabytes of financial documents, contract, and legal information, Marsh Minick conducted 37 interviews with County employees, Officeholders, County Board Members and relevant residents. There were significant County workplace hardships, given the politics and news media around allegations of corruption of public office. Marsh Minick worked successfully through the challenges of a highly volatile and political client atmosphere in a successful way. Worked closely with the County Board Committee Members, and their legal counsel, to determine avenues for possible criminal or civil claims against Officeholder found to have mismanaged about \$1 million.	

<b>Business Reference #4</b>	
Company Name	Pulaski County Attorney and Pulaski County Court
Company Address	201 South Broadway, Suite 400, Little Rock, Arkansas 72201
Contact Person's Name and Title	Mr. Adam Fogleman, Pulaski County Attorney
Contact Information	501-340-8285 or afogleman@pulaskicounty.net
Time period for services	July 2017 – August 2017
Brief description of the services:	
Marsh Minick performed a forensic audit of a neighborhood housing development's recreational facility ordered by Pulaski County Court, Arkansas for Yorkwood Recreation District. Marsh Minick was contracted in July 2017 to August 2017 to perform a forensic examination into the allegations of misappropriation of taxpayer funds allocated for a capital project of construction on a neighborhood community pool, tennis, and park facility. The examination included the analysis of financial documents, contracts, legal information and other pertinent records stemming from 1978 to 2016. Other work efforts were the screening of public records (criminal and civil), prior employment and residences of official commissioners, asset identification of vendors, subject and suspect interviews, and social media/internet searches. We worked closely with Pulaski County Attorney to have a subpoena issued for pertinent records. Marsh Minick did information gathering through interviews and by submitting freedom of information (FOIA) requests, and working with local figureheads of government agencies to investigate for possible criminal or civil claims against suspicious individuals and companies on a construction project.	



<b>Business Reference #5</b>	
Company Name	Oregon Secretary of State / Audits Division
Company Address	255 Capitol St. NE, Public Service Building Suite 500, Salem, OR 97301
Contact Person's Name & Title	Ms. Dale Bond, Audits Manager
Contact Information	503-986-2352 or v.dale.bond@state.or.us
Time period you provided services	May 2016 – August 2016
<p><b>Brief description of services:</b></p> <p>Marsh Minick performed a fraud investigative examination of business energy tax credits ordered by the Oregon Secretary of State Audits Division in May 2016 to August 2016. Marsh Minick was contracted to perform a complex forensic and investigative examination that required our firm to examine individuals and entities engaged in a government financial program, which included government officials, program directors and managers, department staff, and public and private recipients of funds. Investigation efforts included screening of public records (such as criminal and civil), prior employment, prior residences, human resource records, asset identification, political contributions, reference interviews, suspect interviews, and social media/internet searches. Additionally, Marsh Minick had forensically audited and analyzed over 13,000 project records to identify any illicit or unusual activity, including overpayments, unauthorized payments, and double payments. In conclusion, the final investigation work-papers reflected Marsh Minick performed due diligence on more than 100-individuals and entities for suspicious payment concerns. Over \$300 million in suspicious tax credits were issued, and a confidential referral to the Oregon Department of Justice was prepared by Marsh Minick.</p> <p>A sample of a public report of findings is located at the following link:  <a href="http://sos.oregon.gov/audits/Documents/2016-20.pdf">http://sos.oregon.gov/audits/Documents/2016-20.pdf</a></p> <p>A sample of the law enforcement referral is located at the following link:  <a href="http://media.oregonlive.com/business_impact/other/ODOJ%20report.pdf">http://media.oregonlive.com/business_impact/other/ODOJ%20report.pdf</a></p>	



## Fee Schedule

Marsh Minick is submitting this estimate of hours for services based on our past experience conducting forensic auditing. The cost for the 11 years in scope for the forensic audit will range from \$177,500 to \$242,500, depending on the severity of issues. The price proposed is an all-inclusive price for all work service tasks. Invoices are billed monthly due within 30 days.

The following is the fee schedule:

Per Hour Charge	
Auditors	Cost per Hour
Forensic Audit Manager- Minick	\$125
Forensic Lead Auditor- Marsh	\$125

Cost Per Task		
Task	Estimated Hours	Estimate Cost
Travel	Marsh Minick does not charge for travel	
Initial request for information preparation, pre-audit planning and preparation	20 hours	\$2,500
Information gathering and the week-long onsite inspection <ul style="list-style-type: none"> <li>• Record collection onsite</li> <li>• Introductory meeting</li> <li>• Departure meeting</li> <li>• Interviews</li> <li>• Review of the population of records collected</li> </ul>	120 hours for onsite inspection, introductory and departure meetings  160 to 240 hours for interviews and review of records gathered	\$15,000  \$20,000 to \$30,000
Forensic Testing and Financial Analysis	80 to 120 hours per each year in scope	\$10,000 to \$15,000 (per year)
	11 years in scope of work (Jan. 1, 2008 to June 30, 2019)	\$110,000 to \$165,000 (total for all 11 years)
Evaluation of results, drafting of approximately 9 finding reports, oral delivery video	240 hours	\$30,000



## Project Completion

Marsh Minick plans to perform and deliver the necessary services in three audit stages that will occur over a four (4) month timeframe.

Audit Stage	Month 1	Month 2	Month 3	Month 4
<i>Information Gathering</i>	■	■		
<i>Financial Analysis and Forensic Testing</i>		■	■	
<i>Results, Report and Recommendations</i>				■

Marsh Minick will provide the City a status report on a semi-weekly basis to track progress of the engagement, tasks completed, challenges, and preliminary findings. The status report will be emailed and Marsh Minick will be available for any questions by telephone.



# Certification of Compliance

## CERTIFICATION OF COMPLIANCE RE: COMPLIANCE WITH IMMIGRATION LAWS

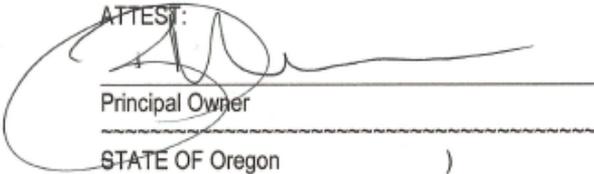
The undersigned, for and on behalf of the Professional, does hereby certify:

- 1. The undersigned is familiar with the employment practices of the Professional.
- 2. The Professional does not and will not knowingly employ or contract with unauthorized workers or aliens.

Marsh Minick, P.C.  
Company Name

By: Brandi Marsh Name: Principal Owner Title:

9-6-2019  
Date

ATTEST:  
  
Principal Owner



STATE OF Oregon )  
COUNTY OF Washington )§

Subscribed and sworn to before me this 6th day of September, 2019,  
by VB (name), the BM (title),  
of Banner Bank, Professional.

My commission expires: Aug 01, 2021

SEAL

  
Notary Public



## **Certificate of Good Standing from the State of Colorado**

Marsh Minick, P.C. is domiciled in Portland, Oregon, and is in good standing with the State of Oregon and Colorado. If awarded the Forensic Audit and Analysis contract, Marsh Minick will register with the State of Colorado Secretary of State as required by law. Marsh Minick conducts forensic auditing services nationwide, and the firm will be registered with the state of Colorado as a foreign entity for the duration of the engagement, which is our normal course of business.



### **Previous Affiliation with the City**

As Marsh Minick, P.C. is domiciled in Portland, Oregon, the principal owners Marsh and Minick have no affiliations with the City of Brighton or its Officers, Elected Officials, or Senior Management.

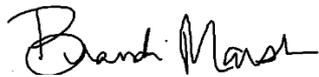


*Thank You!*

We hope you will select Marsh Minick, P.C. to perform the Forensic Audit and Analysis for the City of Brighton. Please contact Marsh Minick, P.C. by telephone 971-266-1846 or the Forensic Audit Manager by email [melissa@marshminick.com](mailto:melissa@marshminick.com).

Thank you for your consideration of this request for proposals.

Thank you,



*Brandi Marsh*



*Melissa Frick Minick*

Marsh Minick, P.C.

Address: 17548 NW Springville Rd. #F17, Portland, OR 97229

Phone: 971-266-1846

Email: [Info@MarshMinick.com](mailto:Info@MarshMinick.com)

Website: [www.MarshMinick.com](http://www.MarshMinick.com)

