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peerreview@calcpa.org

June 22, 2018

Timothy Coffey  
Grass, Coffey & Scharlau, CPAs  
6520 N 7TH ST STE 100A  
PHOENIX, AZ 85014-1213

Dear Timothy Coffey:

It is my pleasure to notify you that on June 20, 2018, the California Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2020. This is the date by which all review documents should be completed and submitted to the administering entity.

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

Thank you for your cooperation and support of the profession's practice-monitoring programs.

Sincerely,

A handwritten signature in black ink that reads "Dawn E Brenner". The signature is written in a cursive style.

Dawn Brenner  
Peer Review Committee Chair  
peerreview@calcpa.org 650-522-3094  
California Society of CPAs

CC: Douglas Ball

Firm Number: 900010098171

Review Number: 550417



**Ball & McGraw, P.C.**

*Certified Public Accountants*

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

December 19, 2017

To the Owners  
Grass, Coffey & Scharlau, CPAs  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting auditing practice of Grass, Coffey & Scharlau, CPAs (the firm) in effect for the year ended June 30, 2017. 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 compliance audits under the Single Audit Act.

As 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 Grass Coffey & Scharlau, CPAs in effect for the year ended June 30, 2017, 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*. Grass Coffey & Scharlau, CPAs has received a peer review rating of *pass*.

*Baker - Morgan P.C.*