



INSIGHT ■ INNOVATION ■ EXPERIENCE



STATEMENT OF QUALIFICATIONS

MARCH 16, 2011

ASSURANCE AND TAX ADVISORS

BUSINESS ADVISORS

CORPORATE FINANCE ADVISORS

TECHNOLOGY ADVISORS

WEALTH MANAGEMENT ADVISORS

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THE FIRM'S ORGANIZATION



Firm Background and Expertise

Schneider Downs is headquartered in Pittsburgh, Pennsylvania and has an office in Columbus, Ohio. Our client base is served by 32 shareholders and more than 350 professionals located in the two offices. We are registered with the PCAOB and were early members of the AICPA's Center for Audit Quality, Governmental Audit Quality Center and Employee Benefits Plan Audit Quality Center. With annual firm revenues in excess of \$50 million and more than 350 employees, Schneider Downs is ranked as the fourth-largest firm serving Western Pennsylvania, as recognized by the *Pittsburgh Business Times*.

Schneider Downs' dominating position in the profession is also evidenced by our ranking as the 46th-largest accounting and advisory firm in the United States. In accordance with such status, Schneider Downs has participated in the AICPA Major Firms Group since the late 1990s, providing access to the foremost technical experts throughout the country. Our commitment to and influence in ensuring the highest ethical and technical accounting and assurance practices in the profession has been recognized by the profession through the appointment of our President and CEO, Raymond Buehler, as chair of the AICPA Major Firms Group's Semi-Annual Conference in Laguna, California (July 2009).

In 1977, Schneider Downs, recognizing the growing impact of the global marketplace on our domestic client base, became a founding member of IGAF Worldwide, an association of independent accounting and business advisory firms. IGAF connects Schneider Downs to a superior range of resources through more than 130 independent member firms in 60 countries. A Schneider Downs shareholder has held a seat on the Board of IGAF since its founding, and Raymond Buehler, our CEO since the mid-80s, currently serves as the chairman of the IGAF Worldwide Board.

A fundamental value of Schneider Downs' practice is the provision of shareholder-led service. We are committed to a client-service model that ensures the seamless delivery of technical services and full access to the firms' service offerings. Our technical expertise, as demonstrated by our professionals, has fueled our continued growth since our founding more than 50 years ago. Despite the economic downturn, we have continued to attract, hire and retain the best and the brightest accounting professionals, as evidenced by a turnover rate that is below the industry average.



We routinely review our clients' processes and determine how technology can improve and sustain their processes into the future. We are always looking for opportunities to integrate data from other systems to reduce error and the time associated with re-keying of data. As part of our expertise in systems review and analysis, we have become the premier provider of SAS 70 services in our area. SAS 70 reviews are provided to a wide variety of governmental, public and private entities.

We provide services in varying capacities to a number of governmental and private entities. These services include: single audits, programmatic audits and performance of agreed-upon procedures for tax collection agencies and entities receiving federal and loan funds.

Schneider Downs has served as the independent auditor of the Central Tax Bureau of Pennsylvania, Inc. for more than 10 years, auditing nine offices and approximately 150 political subdivisions for the year ended December 31, 2009. In addition, we perform audits of a number of school districts and local municipalities, including Montour School District and Kennedy Township in Allegheny County. Schneider Downs is also involved in performing agreed-upon procedures related to compliance with Allegheny County's alcoholic beverage tax.

Schneider Downs Technology Advisors have the following experience with respect to tax collectors:

- Assisted the client's development team in the conceptual design of third-party tax collection software;
- Assisted in the conversion from a tax collector's legacy system where data was stored in a flat file format to the new system using Oracle's relational database; and
- Designed the security module and audit trails necessary to protect taxpayers' sensitive information stored as part of the new system.



ACKNOWLEDGMENT OF PROFESSIONAL OBLIGATIONS



At Schneider Downs, we are committed to the highest ethical and professional standards. Firm personnel adhere to applicable independence, integrity and objectivity requirements. These requirements include regulations, interpretations and rulings of the AICPA, state CPA societies and state boards of accountancy to which our professionals belong, state statutes, the U.S. Securities and Exchange Commission (SEC) and other regulatory agencies where applicable. Furthermore, it is the policy of our firm that, for engagements that are subject to the rules of the SEC, PCAOB, Government Accounting Office, Department of Labor, and other regulatory agencies, all professional personnel are familiar with and adhere to the independence rules included in those standards, and that personnel will always act in the public interest.

We are members of the Audit Quality Center for Public Company Audit Firms and the Private Companies Practice Section of the American Institute of Certified Public Accountants Division of Firms. Membership in the American Institute of Certified Public Accountants Division of Firms is intended to ensure uniformity in the quality of services provided by member firms, and, thereby, reassure the public that member firms with which they are not familiar have met the accounting profession's high standards for quality.

Membership in the sections of the Division of Firms is voluntary; however, requirements for membership include mandatory continuing education for all members of the professional staff and a triennial peer review of a firm's quality control system in its practice of public accounting. The independent review, conducted by peers in the profession who have been authorized by the AICPA, is an intensive study of specific elements of quality control. We are proud of our past record of never having received a qualified peer review report.

Additionally, we are registered with the Public Company Accounting Oversight Board (PCAOB), committing Schneider Downs to the highest standards of the profession and enabling us to deliver audit services to SEC registrants. This registration could cause us to be selected for an additional inspection, which would evaluate only the SEC-issuer or public company audit practice.

We affirm that we are properly licensed in the states in which we operate, including Pennsylvania, and that each partner is licensed in each state in which he or she practices. In addition, we affirm that Schneider Downs, as well as each member of the engagement team, is independent of your organization and that the firm meets all of the applicable independence requirements. Our firm was reviewed by the PCAOB in 2005, and the firm received an unqualified report without comment, which confirms our firm's high quality of practice, and compliance to applicable regulations.



Insurance

Schneider Downs has in place comprehensive general liability, automobile liability, workers' compensation and employer liability insurance policies that meet or exceed the minimum limits required within the professional services agreement. The Central Tax Bureau of Pennsylvania, Inc. will be named as an additional insured entity on these policies, and such policies will be in effect during the performance of the requested services. These policies will include coverage against possible claims for property damage, personal or bodily injury, or death which might arise by reason of our employees being located on the premises. Additionally, Schneider Downs insures against professional liability through policies with well-rated insurers in amounts that we know, through industry surveys, to be substantial for the size and risk profile of our practice.

Upon request, Schneider Downs will furnish all certificates of insurance, evidencing all insurance coverage prior to commencing services.

In the past three years, Schneider Downs has had only one lawsuit filed against it - a frivolous claim by a serial litigant, who is representing herself and proceeding without an attorney. In *Cassandra Wiltz v. Schneider Downs and Co., Inc., et al*, Franklin County Court of Common Pleas Case No. 10-CFH-08-11570, the plaintiff, Cassandra Wiltz, filed suit against Schneider Downs in August 2010. Ms. Wiltz has sued no fewer than 103 individuals and companies over the past 16 months. In the case against Schneider Downs, Ms. Wiltz sued Schneider Downs and another accounting firm, as well as a number of both firm's employees. Both firms provided audit work for Ms. Wiltz's former employer. Ms. Wiltz alleges that both accounting firms aided and abetted Ms. Wiltz's purportedly improper termination from her former employer. Ms. Wiltz further alleges that, despite the fact that she was never a client of the firm, Schneider Downs committed malpractice and intentionally sought to cause her severe emotional distress. In responding to her Complaint, Schneider Downs has denied all of the material allegations raised by Ms. Wiltz. In December 2010, this case was dismissed in its entirety. In January 2011, Ms. Wiltz filed an appeal of the Court's decision to dismiss her complaint. Schneider Downs is currently awaiting the outcome of the appeals process.



Conflicts of Interest

The client acceptance process is an important part of building a strong professional relationship and a process that our firm takes very seriously to ensure the integrity of both organizations as well as to ensure compliance with relevant AICPA, GAO, SEC and PCAOB independence standards. We have previously assisted the Central Tax Bureau of Pennsylvania, Inc. in information technology processes. These procedures concluded in 2003. We do not believe that this service represents independence impairment.

We are unaware of any relationships that present a potential conflict of interest with the Central Tax Bureau of Pennsylvania, Inc. or any of the political sub divisions that they represent. There will undoubtedly be relationships between the organizations. However, our Client Acceptance and Risk Evaluation process revealed that there are no relationships between any member of our organization and anyone associated with the Central Tax Bureau of Pennsylvania, Inc. other than in a professional service capacity. As such, we believe that no situations exist that represent a conflict of interest or potential independence impairment under the most stringent of professional independence standards..



STATE AND LOCAL TAX CONSULTING AND COMPLIANCE SERVICES



As an organization changes or expands, dealing with state and local tax issues can be overwhelming. The tax laws are complex, and regulations are constantly changing. The current tax environment with respect to PA Act 32 is exceptionally challenging in this regard.

Schneider Downs' dedicated State and Local Tax (SALT) professionals have been assisting clients with complex tax issues for more than 50 years, and we remain steadfast in our commitment to consistently monitor, evaluate and update our clients regarding state and local tax changes and developments, including PA Act 32. Our experience and expertise allow our clients to optimize their tax situation and assure compliance with evolving laws and regulations. Our responsibility is to stay abreast of tax complexities and opportunities, allowing you to focus on business goals.

Our fully dedicated team of state and local tax experts can assist your business with:

- Sales and use tax
- Income/franchise tax
- Gross receipts/business privilege tax
- Business incentives, tax credits and site selection
- Unclaimed property
- Personal property tax

The Managing Director of Schneider Downs' State and Local Tax Services, Timothy Adams, has more than 18 years of experience in public accounting, including more than 10 years with a national accounting firm. His focus is in state and local tax matters, including income and franchise taxes, sales and use taxes, incentives/credits, property taxes and employment taxes.

Mr. Adams has successfully represented clients in various state and local tax matters in nearly every state across the country, including state tax audit representation and appeals, refund analyses and other state tax planning that have added significant value to his clients.

Mr. Adams is a member of various organizations, including the following:

- PICPA State Tax Committee
- Chair—Western Pennsylvania Tax Conference
- Member—American and Pennsylvania Institutes of Certified Public Accountants
- Past Contributing Author—Pennsylvania Tax Handbook



SAS 70 QUALIFICATIONS



Relevant Experience

Schneider Downs' hosts a dedicated group of internal audit professionals who spend the majority of their time providing services related to the testing of controls and control environments for the purposes of issuing SAS 70 reports, internal audit co-sourcing or complete outsourcing, and assisting government entities with the implementation of Sarbanes-Oxley Section 404 reporting on internal controls over financial reporting, as well as other compliance initiatives such as Family Education Rights Privacy Act (FERPA) and Payment Card Industry (PCI).

Our IT professionals are experienced in documenting and testing IT controls related to SAS 70. All of the members of the team staffing your engagement have been trained through the AICPA SAS 70 training program and have experience with performing SAS 70 testing. When defining IT General Controls, we have experience utilizing a number of industry standard and common control frameworks such as the Control Objectives for Information Technology 4.1 (COBIT 4.1), International Standards Organization 27001 (ISO 27001), National Institute of Standards and Technologies (NIST), and IT Infrastructure Library (ITIL).

Additionally, the extensive experience with SAS 70 reports and IT controls ensures that we not only efficiently prepare for testing an organization's controls but also provide operational and functional insight so that you can leverage the benefits of our work within your information technology department.

Upon request, we would be happy to provide contacts for references at any of the below-listed clients.

| Representative List of SAS 70 Clients | Industry/Service |
|--|---|
| Employee Benefits Data Services Co. | Employee Benefits Administration |
| Nexus Systems | Accounts Payables Processing |
| MED3000 Group, Inc. - Dayton | Emergency Medical Services Billing |
| MED3000 Group, Inc. - Tinley Park | Data Hosting and Support |
| MED3000 Group, Inc. - Oxnard | Medical Claims Processing |
| Estate Information Services | Probate Recovery Services |
| CompManagement - Ohio, Texas, and Virginia | Workers Compensation Claims Administration Services |
| National Real Estate Information Services | Title, Closing and Appraisal Services |





| Representative List of SAS 70 Clients | Industry/Service |
|---------------------------------------|---|
| Fiduciary Technology Partners | Donor Fund Management Services |
| Paragon Strategic Solutions | Asset Recovery Services |
| iMortgage Services, Inc. | Title, Closing and Appraisal Services |
| MCMC, LLC | Managed Healthcare Support Services |
| WesBanco, Inc. | Trust and Investment Services |
| HM Benefits Administration | Claims Processing Management |
| Progressive Medical, Inc. | Managed Healthcare Support Services |
| 3Z | Outsourced Data Hosting and Support |
| Pittsburgh Cultural Trust | Theatre Box Office Services |
| Aires | Corporate Relocation Services |
| LandAmerica | Title Production, Closing and Collateral Valuation Services |

Experienced Professionals

We believe that for us to provide real benefits to our clients, it is important to have seasoned professionals who have practical experience serving industry. In accordance with this philosophy, 76% of our internal audit professionals have industry experience outside of public accounting. Additionally, managers in our practice have an average of 17 years of experience. A combination of both technology and industry experience is important to us and important to our clients.

| | Average Years of Experience | % with Prior Industry Experience |
|----------------------------|-----------------------------|----------------------------------|
| Internal Audit Management | 17 | 94% |
| Senior/Staff Professionals | 8 | 76% |

Additionally, our internal audit team credentials include CPA, CIA, CISA and others.

- 70% of our staff hold one or multiple professional certifications.
- 90% of our professionals have Six Sigma “Yellow Belt” certifications.
- Management-level professionals are required to hold a prominent professional certification.

