From: Goins, Anthony
To: Goins, Anthony
Subject: Fwd: DED HUD Project follow up
Date: Thursday, June 2, 2022 3:32:22 PM

Anthony Goins "Tony"
Director

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Subject: DED HUD Project follow up

Dear Tony,

Hope all is well!

First, we want to thank you and your team for reaching out to us regarding this amazing opportunity to assist the Department of Economic Development (DED). After review of the information provided by your team earlier this week and meeting internally, we believe there is an opportunity for us to assist DED but we do have a couple of barriers that we will need to get over before we are to proceed that are noted below:

- Time to complete the project – Based on our discussion with Dan, Steve, Sheryl, and Lynn we understand the estimated total amount of hours to complete the backlog of monitoring reviews is roughly 8,800 which includes 5,000 for CDBG and 3,800 for Home. Based on our hourly rates, we would be over the DED threshold and understand a bid process would be required.
- Limitation of Liability - KPMG includes in each of our agreements a limitation of liability clause that basically limits the amount of liability KPMG is exposed to in the event DED

experience losses in connection with the agreement. It is our understanding that the State of Nebraska takes the legal position that the limitation of liability is unconstitutional. We will have to get additional internal approvals to complete this work if selected in the RFP process. Please note that we would work internally to get approvals prior to submitting an RFP.

- Independence – KPMG is currently the auditors of Nebraska Investment Finance Authority and the University of Nebraska. Due to the relationships of both entities to the State of Nebraska and the DED this may limit us in the work we can do on this project.

We are currently working through internal approvals for the limitation of liability clause and independence considerations.

Let us know if you have any questions.

Kind regards,
Donald

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