

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
County of Boone } ea.

March Session of the January Adjourned

Term. 20 08

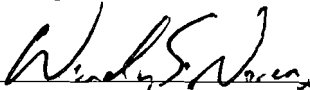
In the County Commission of said county, on the 11th day of March 20 08


the following, among other proceedings, were had, viz:

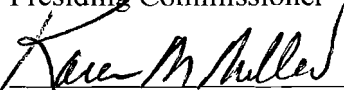
Now on this day the County Commission of the County of Boone does hereby support the bond proposals from the Boone County Regional Sewer District and the City of Columbia, to be voted on the April 8, 2008, ballot.

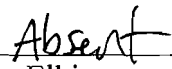
Done this 11th day of March, 2008.

ATTEST:


Wendy S. Nofen
Clerk of the County Commission


Kenneth M. Pearson
Presiding Commissioner


Karen M. Miller
District I Commissioner


Skip Elkin
District II Commissioner

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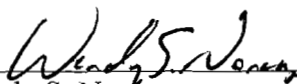
Term. 20 08


In the County Commission of said county, on the 11th day of March 20 08
 the following, among other proceedings, were had, viz:


Now on this day the County Commission of the County of Boone does hereby approve the request for disposal by trade-in of a GPS Unit, fixed asset tag 16282. It is further ordered the Presiding Commissioner is hereby authorized to sign said disposal form.

Done this 11th day of March, 2008.

ATTEST:


 Wendy S. Noren
 Clerk of the County Commission


 Kenneth M. Pearson
 Presiding Commissioner


 Karen M. Miller
 District I Commissioner


 Skip Elkin
 District II Commissioner

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STATE OF MISSOURI }
County of Boone } ea.

March Session of the January Adjourned

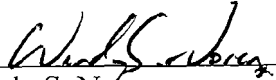
Term. 20 08

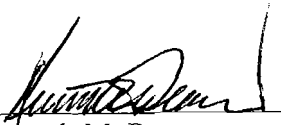
In the County Commission of said county, on the 11th day of March 20 08
the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the request by the Sheriff's Department to purchase a convection oven.

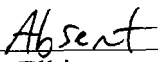
Done this 11th day of March, 2008.

ATTEST:


Wendy S. Noren
Clerk of the County Commission


Kenneth M. Pearson
Presiding Commissioner


Karen M. Miller
District I Commissioner


Skip Elkin
District II Commissioner

CERTIFIED COPY OF ORDER

STATE OF MISSOURI

} ea.

March Session of the January Adjourned

Term. 20 08

County of Boone

In the County Commission of said county, on the

11th

day of

March

20 08

the following, among other proceedings, were had, viz:

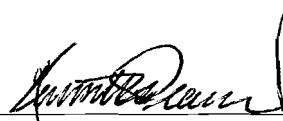
Now on this day the County Commission of the County of Boone does hereby approve the Employee Physical Examination Services Agreement with Occupational Medicine of Mid-Missouri, LLC. It is further ordered the Presiding Commissioner is hereby authorized to sign said agreement.

Done this 11th day of March, 2008.

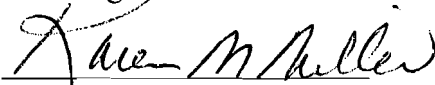
ATTEST:



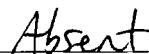
Wendy S. Noren
Clerk of the County Commission



Kenneth M. Pearson
Presiding Commissioner



Karen M. Miller
District I Commissioner



Skip Elkin
District II Commissioner

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STATE OF MISSOURI }
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March Session of the January Adjourned

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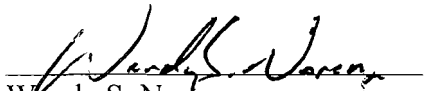
In the County Commission of said county, on the 11th day of March 20 08

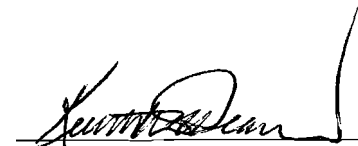
the following, among other proceedings, were had, viz:

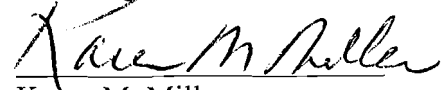
Now on this day the County Commission of the County of Boone does hereby approve the engagement letter with KPMG, LLP for Fiscal Year 2007 Audit Services. It is further ordered the Presiding Commissioner is hereby authorized to sign said engagement letter.

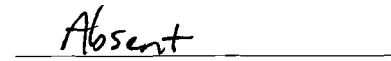
Done this 11th day of March, 2008.

ATTEST:


Wendy S. Noren
Clerk of the County Commission


Kenneth M. Pearson
Presiding Commissioner


Karen M. Miller
District I Commissioner


Skip Elkin
District II Commissioner



KPMG LLP
Suite 900
10 South Broadway
St. Louis, MO 63102-1761

Telephone 314 444 1400
Fax 314 444 1470
Internet www.us.kpmg.com

Ms. June Pitchford
Boone County Auditor
Boone County, Missouri
801 East Walnut – Room 205
Columbia, MO 65201-4890

February 18, 2008

PRIVATE

Dear June:

This letter will confirm our understanding of our engagement to provide professional services to Boone County, Missouri (the County).

Objectives and Limitations of Services

Financial Statement Audit Services

We will issue a written report upon our audit of County's financial statements as set forth in Appendix I.

We have a responsibility to conduct and will conduct the audit of the financial statements in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, with the objective of expressing an opinion as to whether the presentation of the financial statements conforms with U.S. generally accepted accounting principles.

In conducting the audit, we will perform tests of the accounting records and such other procedures, as we consider necessary in the circumstances, to provide a reasonable basis for our opinion on the financial statements. We also will assess the accounting principles used and significant estimates made by management, and evaluate the overall financial statement presentation.

Our audit of the financial statements is planned and performed to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Absolute assurance is not attainable because of the nature of audit evidence and the characteristics of fraud. Therefore, there is a risk that material errors, fraud (including fraud that may be an illegal act), and other illegal acts may exist and not be detected by an audit of financial statements performed in accordance with the auditing standards



generally accepted in the United States of America. Also, an audit is not designed to detect matters that are immaterial to the financial statements.

Our report will be addressed to the County Commission of Boone County, Missouri. We cannot provide assurance that an unqualified opinion will be rendered. Circumstances may arise in which it is necessary for us to modify our report or withdraw from the engagement.

Internal Control over Financial Reporting and Compliance and Other Matters

In planning and performing our audit of the financial statements, we will consider the County's internal control in order to determine the nature, timing, and extent of our audit procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. In accordance with *Government Auditing Standards*, we are required to communicate that the limited purpose of our consideration of internal control may not meet the needs of some users who require additional information about internal control. We can provide other services to provide you with additional information on internal control which we would be happy to discuss with you at your convenience.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the County's compliance with certain provisions of laws, regulations, contracts and grants, violations of which could have a direct and material effect on the financial statements. However, our objective is not to provide an opinion on overall compliance with such provisions.

In accordance with *Government Auditing Standards*, we will prepare a written report, *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards* (GAGAS report), on our consideration of internal control and tests of compliance made as part of our audit of the financial statements. While the objective of our audit of the financial statements is not to report on the County's internal control and we are not obligated to search for significant deficiencies or material weaknesses as part of our audit of the financial statements, this report will include any significant deficiencies and material weaknesses to the extent they come to our attention. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected. This report will also include illegal acts and fraud, unless clearly inconsequential, and material violations of grants, contracts, and abuse. It will indicate that it is intended solely for the information and use of the County Commissioners of the Boone County, Missouri and management of the County and



federal awarding agencies and pass-through entities and that it is not intended to be and should not be used by anyone other than these specified parties.

In accordance with *Government Auditing Standards*, we will also issue a management letter to communicate immaterial violations of grants and contracts and abuse that comes to our attention, unless clearly inconsequential.

In accordance with *Government Auditing Standards*, we are also required in certain circumstances to report fraud or illegal acts directly to parties outside the auditee.

OMB Circular A-133 Audit Services

We will also perform audit procedures with respect to the County's major federal programs in accordance with the provisions of OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations* (OMB Circular A-133). OMB Circular A-133 includes specific audit requirements, mainly in the areas of internal control and compliance with laws, regulations, contracts, and grants that exceed those required by *Government Auditing Standards*.

As part of our audit procedures performed in accordance with the provisions of OMB Circular A-133, we will perform tests to evaluate the effectiveness of the design and operation of internal controls that we consider relevant to preventing or detecting material noncompliance with laws, regulations, contracts, and grants applicable to each of the County's major programs. The tests of internal control performed in accordance with OMB Circular A-133 are less in scope than would be necessary to render an opinion on internal control.

Compliance with laws, regulations, contracts, and grants applicable to federal programs is the responsibility of management. We will perform tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants we determine to be necessary based on the *OMB Circular A-133 Compliance Supplement (Compliance Supplement)*. The procedures outlined in the *Compliance Supplement* are those suggested by each federal agency and do not cover all areas of regulations governing each program. Program reviews by federal agencies may identify additional instances of noncompliance.

As required by OMB Circular A-133, we will prepare a written report which provides our opinion on the schedule of expenditures of federal awards in relation to the County's financial statements. In addition, we will prepare a written report (A-133 report) which 1) provides our opinion on compliance with laws, regulations, contracts, and grants that could have a direct and material effect on a major federal program and 2) communicates our consideration of internal control over major federal programs. The A-133 report will indicate that it is intended solely for the information and use of the County Commission of the Boone County, Missouri and management of the County and federal awarding agencies and pass-through entities and that it is not intended to be and should not be used by anyone other than these specified parties.



Offering Documents

Should the County wish to include or incorporate by reference these financial statements and our audit report thereon into an offering of exempt securities, prior to our consenting to include or incorporate by reference our report on such financial statements, we would consider our consent to the inclusion of our report and the terms thereof at that time. We will be required to perform procedures as required by the standards of the American Institute of Certified Public Accountants, including, but not limited to, reading other information incorporated by reference in the offering document and performing subsequent event procedures. Our reading of the other information included or incorporated by reference in the offering document will consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. However, we will not perform procedures to corroborate such other information (including forward-looking statements). The specific terms of our future services with respect to future offering documents will be determined at the time the services are to be performed.

Should the County wish to include or incorporate by reference these financial statements and our audit report thereon into an offering of exempt securities without obtaining our consent to include or incorporate by reference our report on such financial statements, and we are not otherwise associated with the offering document, then the County agrees to include the following language in the offering document:

“KPMG LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this official statement.”

Our Responsibility to Communicate with the County Commission of Boone County, Missouri

We will report to you, in writing, the following matters:

- Corrected misstatements arising from the audit that could, in our judgment, either individually or in aggregate, have a significant effect on the County’s financial reporting process. In this context, corrected misstatements are proposed corrections of the financial statements that were recorded by management and, in our judgment, may not have been detected except through the auditing procedures performed.
- Uncorrected misstatements aggregated during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in aggregate.



- Any disagreements with management or other serious difficulties encountered in performance of our audit.
- Other matters required to be communicated by auditing standards generally accepted in the United States of America.

We will also read minutes, if any, of audit committee meetings for consistency with our understanding of the communications made to you and determine that you have received copies of all material written communications between ourselves and management. We will also determine that you have been informed of i) the initial selection of, or the reasons for any change in, significant accounting policies or their application during the period under audit, ii) the methods used by management to account for significant unusual transactions, and iii) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

If, in performance of our audit procedures, circumstances arise which make it necessary to modify our report or withdraw from the engagement, we will communicate to you our reasons for modification or withdrawal.

Management Responsibilities

The management of the County is responsible for the fair presentation, in accordance with U.S generally accepted accounting principles, of the financial statements and all representations contained therein. Management also is responsible for identifying and ensuring that the County complies with laws, regulations, contracts, and grants applicable to its activities, and for informing us of any known material violations of such laws and regulations. Management also is responsible for preventing and detecting fraud, including the design and implementation of programs and controls to prevent and detect fraud, for adopting sound accounting policies, and for establishing and maintaining effective internal controls and procedures for financial reporting to maintain the reliability of the financial statements and to provide reasonable assurance against the possibility of misstatements that are material to the financial statements. Management is also responsible for informing us, of which it has knowledge, of all significant deficiencies and material weaknesses in the design or operation of such controls. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Management of the County also agrees that all records, documentation, and information we request in connection with our audit will be made available to us, that all material information will be disclosed to us, and that we will have the full cooperation of the County's personnel. As required by the auditing standards generally accepted in the United States of America, we will make specific inquiries of management about the representations embodied in the financial statements and the effectiveness of internal control, and obtain a representation letter from management about these matters. The responses to our inquiries, the written representations,



and the results of audit tests, among other things, comprise the evidential matter we will rely upon in forming an opinion on the financial statements.

In addition to the OMB Circular A-133 requirements to maintain internal control and comply with provisions of laws, regulations, contracts and grants applicable to federal programs as discussed above, OMB Circular A-133 also requires the County to prepare a:

- Schedule of expenditures of federal awards;
- Summary schedule of prior audit findings;
- Corrective action plan; and
- Data collection form (Part I).

While we may be separately engaged to assist you in the preparation of these items, preparation is the responsibility of the County.

Certain provisions of OMB Circular A-133 allow a granting agency to request that a specific program be selected as a major program provided that the federal granting agency is willing to pay the incremental audit cost arising from such selection. The County agrees to notify KPMG LLP (KPMG) of any such request by a granting agency and to work with KPMG to modify the terms of this letter as necessary to accommodate such a request.

In accordance with *Government Auditing Standards*, as part of our planning of the audit we will consider the results of previous audits and follow up on known significant findings and recommendations that directly relate to the objectives of the audit. To assist us, management agrees to identify previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of the audit being undertaken and to identify corrective actions taken to address significant findings and recommendations prior to May 15, 2008.

Management is responsible for adjusting the financial statements to correct material misstatements and for affirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements being reported upon. Because of the importance of management's representations to the effective performance of our services, the County will release KPMG and its personnel from any claims, liabilities, costs and expenses relating to our services under this letter attributable to any misrepresentations in the representation letter referred to above.

Management is also responsible for providing us with written responses in accordance with *Government Auditing Standards* to the findings included in the GAGAS or A-133 report within 10 days of being provided with draft findings. If such information is not provided on a timely basis prior to release of the report, the report will indicate the status of management's responses.



Management is responsible for the distribution of the reports issued by KPMG. In accordance with *Government Auditing Standards*, the reports issued citing *Government Auditing Standards* are to be made available for public inspection.

Dispute Resolution

Any dispute or claim arising out of or relating to this Engagement Letter or the services provided hereunder, or any other audit or attest services provided by or on behalf of KPMG or any of its subcontractors or agents to the County or at its request, shall be submitted first to non-binding mediation (unless either party elects to forego mediation by initiating a written request for arbitration) and if mediation is not successful within 90 days after the issuance by one of the parties of a request for mediation then to binding arbitration in accordance with the Rules for Non-Administered Arbitration of the International Institute for Conflict Prevention and Resolution then in effect ("CPR Arbitration Rules"). Any issue concerning the extent to which any dispute is subject to arbitration, or any dispute concerning the applicability, interpretation, or enforceability of these dispute resolution procedures, including any contention that all or part of these procedures is invalid or unenforceable, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. By operation of this provision, the parties agree to forego litigation over such disputes in any court of competent jurisdiction.

Mediation, if selected, may take place at a location to be designated by the parties using Mediation Procedures of the International Institute for Conflict Prevention and Resolution, with the exception of paragraph 2 (Selecting the Mediator). Arbitration shall take place in New York, New York. The arbitration panel shall have no power to award non-monetary or equitable relief of any sort except as provided in CPR Rule 13 (Interim Measures of Protection). Damages that are inconsistent with any applicable agreement between the parties, that are punitive in nature, or that are not measured by the prevailing party's actual damages shall be unavailable in arbitration or any other forum. In no event, even if any other portion of these provisions is held to be invalid or unenforceable, shall the arbitration panel have power to make an award or impose a remedy that could not be made or imposed by a court deciding the matter in the same jurisdiction.

Either party may seek to enforce any written agreement reached by the parties during mediation, or to confirm and enforce any final award entered in arbitration, in any court of competent jurisdiction. Notwithstanding the agreement to such procedures, either party may seek equitable relief to enforce its rights in any court of competent jurisdiction.



Other Matters

This letter shall serve as the County's authorization for the use of e-mail and other electronic methods to transmit and receive information, including confidential information, between KPMG and the County and between KPMG and outside specialists or other entities engaged by either KPMG or the County. The County acknowledges that e-mail travels over the public Internet, which is not a secure means of communication and, thus, confidentiality of the transmitted information could be compromised through no fault of KPMG. KPMG will employ commercially reasonable efforts and take appropriate precautions to protect the privacy and confidentiality of transmitted information.

Further, for purposes of the services described in this letter only, the County hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all names, logos, trademarks and service marks of the County solely for presentations or reports to the County or for internal KPMG presentations and intranet sites.

KPMG is a limited liability partnership comprising both certified public accountants and certain principals who are not licensed as certified public accountants. Such principals may participate in the engagements to provide the services described in this letter.

The work papers for this engagement are the property of KPMG. Pursuant to *Government Auditing Standards*, we are required to make certain work papers available in a full and timely manner to regulatory agencies upon request for their reviews of audit quality and for use by their auditors. In addition, we may be requested to make certain work papers available to regulators pursuant to authority given to it by law or regulation. Access to the requested work papers will be provided under supervision of KPMG personnel. Furthermore, upon request, we may provide photocopies of selected work papers to regulatory agencies. These regulatory agencies may intend, or decide, to distribute the photocopies or information contained therein to others, including other government agencies.

In the event KPMG is requested pursuant to subpoena or other legal process to produce its documents relating to this engagement for the County in judicial or administrative proceedings to which KPMG is not a party, the County shall reimburse KPMG at standard billing rates for its professional time and expenses, including reasonable attorney's fees, incurred in responding to such requests.



Other Government Auditing Standards Matters

As required by *Government Auditing Standards*, we have attached a copy of KPMG's most recent peer review report, letter of comments, and KPMG's response.

We will also assist management in drafting the financial statements and notes. In accordance with *Government Auditing Standards*, we are required to confirm that management accepts responsibility for the financial statements and notes and, therefore, has a responsibility to be in a position in fact and appearance to make an informed judgment about them and that management will:

- Designate a qualified management-level individual to be responsible and accountable for overseeing the drafting of the financial statements.
- Establish and monitor the performance of the engagement to ensure that it meets management's objectives.
- Make any decisions that involve management functions related to the engagement and accept full responsibility for such decisions.
- Evaluate the adequacy of the financial statements and notes.

Additional Reports and Fees for Services

Appendix I to this letter lists the additional reports we will issue as part of this engagement and our fees for professional services to be performed per this letter.

In addition, fees for any special audit-related projects, such as research and/or consultation on special business or financial issues, will be billed separately from the audit fees for professional services set forth in Appendix I and may be subject to written arrangements supplemental to those in this letter.

* * * * *

Our engagement herein is for the provision of annual audit services for the financial statements and for the periods described in Appendix I, and it is understood that such services are provided as a single engagement. Pursuant to our arrangement as reflected in this letter we will provide the services set forth in Appendix I as a single engagement for each of the County's subsequent fiscal years until either the County Commission of Boone County, Missouri or we terminate this agreement, or mutually agree to the modification of its terms. The fees for each subsequent year will be annually subject to negotiation and approval by the County Commission of Boone County, Missouri.



We shall be pleased to discuss this letter with you at any time. For your convenience in confirming these arrangements, we enclose a copy of this letter. Please sign and return it to us.

Very truly yours,

KPMG LLP

Susan J. Eickhoff
Partner

cc: Mr. Ken Pearson, Presiding Commissioner – Boone County, Missouri

ACCEPTED:

Boone County, Missouri

Authorized Signature

Presiding Commissioner
Title

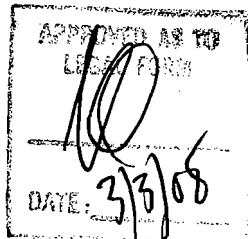
3/11/08
Date

ATTEST:

Wendy S. Noren

County Clerk

3/11/08



CERTIFICATION:

I certify that this contract is for the purpose of the audit and that it is to be charged to the unencumbered balance of the account sufficient to pay the contract.

3/3/08
1190-7101



Appendix I

Fees for Services

~~As you are aware, our professional fees are based upon the time and experience level of personnel required to complete an assignment. The professional fees for the fiscal year ending December 31, 2007 are as follows:~~

Audit of the basic financial statements of Boone County, Missouri as of and for the year ended December 31, 2007 and the OMB Circular A-133 Single Audit Report	<u>\$98,880</u>
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These fees assume that the County will not have more than one federal awards program which is required to be audited as "major" in accordance with the Single Audit requirements. Should KPMG be required under OMB Circular A-133 to audit more than one major federal awards program for the year ended December 31, 2007, KPMG will revise our fees accordingly.

The above noted professional fees do not include any required audit hours for auditing the implementation of Statements of the Governmental Accounting Standards Board or implementation of AICPA Auditing Standards. Additional hours to be incurred, if any, associated with implementation of financial accounting pronouncements or auditing standards are considered a change in the normal scope of the audit and will be billed on an hourly basis.

Circumstances encountered during the performance of the audit that warrant additional time or expense could also cause us to be unable to complete the audit within the above estimates. We will endeavor to notify you of any such circumstances as they are assessed.

We have also incorporated charges for estimated out-of-pocket expenses, such as report typing and reproduction, in our proposed fees. Our fees are based on our understanding that the County will continue to provide assistance as in the past, in preparing the basic financial statements, the individual and combining fund financial statements and schedules, and the introductory and statistical sections of the Comprehensive Annual Financial Report. It is also our understanding that the County will provide assistance in preparing lead sheets and audit schedules, typing of the confirmations and other necessary correspondence, and gathering documentation for our review.

Where KPMG is reimbursed for expenses, it is KPMG's policy to bill clients the amount incurred at the time the good or service is purchased. If KPMG subsequently receives a volume rebate or other incentive payment from a vendor relating to such expenses, KPMG does not credit such payment to the client. Instead, KPMG applies such payments to reduce its overhead costs, which costs are taken into account in determining KPMG's standard billing rates and certain transaction charges which may be charged to clients.



To the Partners of KPMG LLP
and the Center for Public Company Accounting Firms Peer Review Committee:

We have reviewed the system of quality control for the accounting and auditing practice of KPMG LLP (the firm) applicable to non-SEC issuers in effect for the year ended March 31, 2005. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of KPMG LLP in effect for the year ended March 31, 2005, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with professional standards.

As is customary in a peer review, we have issued a letter under this date that sets forth comments relating to certain policies and procedures or compliance with them. The matters described in the letter were not considered to be of sufficient significance to affect the opinion expressed in this report.

PriceWaterhouseCoopers LLP

March 1, 2006

March 1, 2006

To the Partners of KPMG LLP and the AICPA Center for Public Company Accounting Firms Peer Review Committee:

We have reviewed the system of quality control for the accounting and auditing practice of KPMG LLP (the firm) applicable to non-SEC issuers in effect for the year ended March 31, 2005, and have issued our report thereon dated March 1, 2006. The matters described below were not considered to be of sufficient significance to affect the opinion expressed in that report, which should be read in conjunction with this letter.

Engagement Performance

Comment: The firm has policies to ensure that the firm's internal specialists are appropriately involved in the audit process and that the specialists' involvement in the audit is appropriately coordinated. However, the firm, in its internal inspection, and we noted instances where compliance with these policies was not consistently achieved, particularly as it related to the firm's income tax and information technology specialists' involvement in the audit. Some of these instances were documentation matters, relating, for example, to the clarity of the description of the work performed or how that work was integrated within the overall audit approach. In addition, we noted instances where some or all of the steps within the income-tax-specific audit program were not performed.

Through discussions with engagement personnel and the review of other documentation on the engagements that led to this comment, we were satisfied that the extent of the specialists' involvement was appropriate and that the individual matters noted were not significant when considered in the context of all audit work performed in the area and/or within the context of the audit taken as a whole.

Recommendation: Firm leadership should reinforce the importance of the coordination of audit effort when internal specialists such as tax and information technology specialists are involved in the engagement, and consider implementing additional guidance and/or practice aids that would facilitate compliance with firm policies in these areas.

Comment: Consistent with applicable professional standards, firm policies require that documentation be prepared and included in the working papers capturing the procedures performed and conclusions reached on each engagement. However, the firm, in its internal inspection, and we noted that compliance with these policies was not achieved in some instances. Through discussion with engagement personnel and the review of other documentation on the engagements that led to this comment, we were satisfied that the audit procedures were performed at the appropriate time, but not completely documented. Similar instances of incomplete documentation were noted in our 2002 peer review.

Recommendation: We recommend that the firm reinforce its expectation that documentation fully comply with professional standards and consider additional guidance or practice aids designed to improve compliance.

Comment: The firm has financial statement presentation and disclosure checklists that are required to be completed prior to issuing an audit report. However, the firm, in its internal inspection, and we noted instances where items within the financial statements were misclassified and where required disclosures were omitted or incomplete. We were ultimately satisfied that the financial statement presentation and disclosure matters were not significant in the context of the financial statements taken as a whole. Similar instances of incomplete disclosure were noted in our 2002 peer review.

Recommendation: The importance of fully and accurately completing the firm's financial statement presentation and disclosure checklists should be reinforced. In addition, the firm should consider actions necessary to ensure consistent execution when completing the financial statement presentation and disclosure checklists and effective review by engagement team members.

Comment: The firm has policies and guidance materials for employee benefit plan (EBP) engagements designed to ensure compliance with generally accepted auditing standards. The matters related to documentation and disclosure described above were also present to some degree in the sample of EBP engagements that the firm, in its internal inspection, and we reviewed. In addition, instances were noted where substantive audit procedures, including testing of investments, payroll and benefit payments, and claim payments in health and welfare plans, were insufficient. In certain instances, additional work was warranted.

Recommendation: We recommend additional training for professionals performing EBP audits, with specific attention to the nature and extent of substantive testing. We also believe that the firm would benefit by enhancing guidance for testing claim payments in health and welfare plans.

Monitoring

Comment: While EBP engagements do not comprise a significant portion of the total hours within the firm's accounting and auditing practice overall, the firm audits a large number of plans. The firm does not maintain a national inventory or other comprehensive listing of these engagements. Such an inventory is important to the firm's ability to (i) identify risks, (ii) allocate appropriate resources and (iii) monitor its EBP practice.

Recommendation: We recommend that the firm compile and maintain a national inventory of its EBP engagements that includes information (plan type, audit scope, engagement team information, etc.) permitting effective monitoring of the practice.

PricewaterhouseCoopers LLP



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March 1, 2006

Center for Public Company Accounting Firms Peer Review Committee
c/o American Institute of Certified Public Accountants
Harborside Financial Center
201 Plaza Three
Jersey City, NJ 07311-3881

Ladies and Gentlemen:

This letter represents our response to the letter of comments issued in connection with our firm's accounting and auditing practice peer review for the year ended March 31, 2005, and should be read in conjunction with that letter.

The firm has issued a communication to all of its professionals emphasizing the need to re-focus on certain audit fundamentals. The basis for this communication included observations by PricewaterhouseCoopers LLP communicated in conjunction with its peer review, observations by the Public Company Accounting Oversight Board (PCAOB) communicated in conjunction with its inspection, and the results of our internal quality review program. In addition, our Department of Professional Practice (DPP) has established a Quality Review Action Items Working Group responsible for the identification, communication and implementation of action items to address observations and results noted during the aforementioned internal and external inspections.

Engagement Performance

During 2005, we made enhancements to our global audit methodology and related methodology tools. The principal objective of these enhancements was to advance the usability of our audit methodology by providing a more intuitive audit work stream and, in doing so, enhance audit quality and compliance with applicable professional standards. In addition, these revised methodology tools were designed to improve an engagement team's audit documentation related to execution of an audit in accordance with applicable professional standards. Compliance with the enhanced audit methodology, including use of the related methodology tools, is mandatory for 2005 calendar year-end audit engagements.

The effective execution of audit engagements through use of the enhanced methodology tools served as the basis of the firm's core training programs held throughout 2005. Throughout the remainder of 2006, we will continue to emphasize auditor performance implications of internal and external inspection findings as needed in our training programs. We are committed to ensuring that feedback we receive as a result of internal and external inspections is leveraged to the greatest extent possible and recognized as a critical element of continuous improvement in our audit practice.

Regarding income taxes, the firm issued additional policies and guidance requiring added audit partner review responsibilities and enhanced documentation requirements of the audit procedures performed related to the audit of income taxes. In addition, we have undertaken two additional initiatives intended to improve performance in the area of auditing income taxes. First, we enhanced our In-Flight Income Tax Review Program, which, in selected instances, provides for an additional timely review of relevant income tax-related audit documentation developed in completing a financial statement audit. Second, we implemented a Supplemental Income Tax Quality Review Program, which expands the scope of our internal quality review program relative to the audit of income taxes.

Regarding the involvement of Information Risk Management (IRM) technology specialists, the firm communicated additional guidance intended to improve planning for and coordinating use of these specialists when executing a financial statement audit. This additional guidance specifically addressed documentation and review practices associated with the involvement of IRM specialists in an audit engagement.

The firm will continue to emphasize our requirements and guidance related to the completeness and accuracy of audit documentation, including the importance of timely and thorough review of matters related to financial statement presentation, including proper use and completion of our disclosure checklists. We fundamentally believe that good audit documentation drives appropriate auditor behavior, and we are committed to ensuring that our professionals fully comply with the applicable professional standards relative to audit documentation.

The firm has taken steps to strengthen its training curriculum related to its employee benefits plan audit practice, and has established minimum employee benefit plan-related training requirements



March 1, 2006

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for those professionals involved with employee benefit plan audits. In addition, the performance of sufficient substantive audit procedures in the conduct of an employee benefit plan audit will be addressed during our 2006 employee benefit plan audit training sessions. The firm also implemented a policy requiring that the concurring review for all health and welfare benefit plan audits be performed by a designated health and welfare benefit plan specialist, commencing with calendar 2004 plan year-end audits, and is considering expanding the scope of the concurring review for all other employee benefit plan audits to include additional audit documentation. Also, we are reviewing our guidance related to employee benefit plan audits, including guidance relative to testing claim payments in health and welfare plans, to determine whether and to what extent additional guidance may be warranted. In addition, we considered our responsibilities pursuant to the applicable professional standards and performed additional audit procedures if considered necessary.

Monitoring

The firm is considering alternative methods of compiling and maintaining a master inventory of all employee benefit plan audit engagements.

* * * * *

Implementation of the actions set forth in this letter will be monitored by the Quality Review Action Items Working Group and our professional practice partners, and will receive special emphasis during our next annual Quality Performance Review Program.

KPMG LLP

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
County of Boone } ea.

March Session of the January Adjourned

Term. 20 08

In the County Commission of said county, on the 11th day of March 20 08

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the use of the Centralia Office beginning Saturday, April 19, 2008, from 10:30 a.m. through 12:30 p.m., with reauthorization on June 30, 2008, for a weight loss support group.

Done this 11th day of March, 2008.

ATTEST:

Wendy S. Noren
Wendy S. Noren
Clerk of the County Commission

Kenneth M. Pearson
Kenneth M. Pearson
Presiding Commissioner

Karen M. Miller
Karen M. Miller
District I Commissioner

Absent
Skip Elkin
District II Commissioner

Ken Pearson, Presiding Commissioner
Karen M. Miller, District I Commissioner
Elkin, District II Commissioner



Roger B. Wilson
Boone County Government Center
801 East Walnut Room 245
Columbia, MO 65201-7732
573-886-4305 • FAX 573-886-4311

Boone County Commission

APPLICATION FOR ORGANIZATIONAL USE OF BOONE COUNTY FACILITIES

The undersigned organization hereby applies for a permit to use the Boone County Courthouse Grounds and/or Government Center as follows:

Description of Use: Weight Loss Support Group

Date(s) of Use: April 19, 2008 → indefinite date

Time of Use: From: 10:30 a.m. p.m. thru 12:30 a.m. p.m.

Facility requested: Courthouse Grounds - Courtyard Square - Chambers - Rm220 - Rm208 - Rm139
Centralia Clinic

The undersigned organization agrees to abide by the following terms and conditions in the event this application is approved:

1. To notify the Columbia Police Department and Boone County Sheriff's Department of time and date of use and abide by all applicable laws, ordinances and county policies in using Courthouse grounds.
2. To remove all trash or other debris that may be deposited (by participants) on the courthouse grounds and/or in rooms by the organizational use.
3. To repair, replace, or pay for the repair or replacement of damaged property including shrubs, flowers or other landscape caused by participants in the organizational use of courthouse grounds and/or carpet and furnishings in rooms.
4. To conduct its use of courthouse grounds and/or rooms in such a manner as to not unreasonably interfere with normal courthouse and/or Boone County Government building functions.
5. To indemnify and hold the County of Boone, its officers, agents and employees, harmless from any and all claims, demands, damages, actions, causes of action or suits of any kind or nature including costs, litigation expenses, attorney fees, judgments, settlements on account of bodily injury or property damage incurred by anyone participating in or attending the organizational use on the courthouse grounds and/or use of rooms as specified in this application.

Name of Organization/Person: Amy Snell

Organization Representative/Title: Group Organizer

Address/Phone Number: 708 Sappington Centralia, MO 65240 573-682-1328

Date of Application: 3/16/08

PERMIT FOR ORGANIZATIONAL USE OF BOONE COUNTY FACILITIES

The County of Boone hereby grants the above application for permit in accordance with the terms and conditions above written. The above permit is subject to termination for any reason by duly entered order of the Boone County Commission.

ATTEST:

BOONE COUNTY, MISSOURI

[Signature]
County Clerk

[Signature]
County Commissioner

DATE: 3/11/08