

**HEINFELD, MEECH & CO., P.C.**  
CPAs and Business Consultants

October 24, 2014

Sharon Nosie  
Business Manager  
San Carlos Unified School District No. 20  
PO Box 207  
San Carlos, Arizona 85550-0207

Dear Ms. Nosie:

This letter will serve as the formal proposal and engagement letter for the services you have requested our firm to perform and the terms under which we will agree to do that work. We will perform the services in accordance with the applicable professional standards. This letter supersedes the engagement letter dated July 20, 2014. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the consulting services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call to discuss this letter before you consider or approve it.

***Services To Be Performed***

At your request and under your direction, we will perform the following services:

1. Management Advisory Services in the areas of budgeting/AFR, accounting records, supply inventory, property control, procurement and expenditures, payroll, general reporting, grants management and annual system set up and roll over functions.
2. Training support for District staff

Heinfeld, Meech & Co., P.C. will not assume management responsibilities on behalf of your organization. However, we will provide advice and recommendations to assist management in assuming its responsibilities.

***Fees/Time/Withdrawal***

Due to the nature of this project, our firm will bill on an hourly rate basis. The hourly rate billed will be dependent upon the type of service provided and the required staffing level for the project. Our firm's hourly rates, excluding any out-of-pocket expenses incurred, are as follows:

S.A.V.E. Contract 011-02-15 Rates from September 28, 2014 through September 27, 2015

<u>Position</u>	<u>Hourly Rate</u>
Partner	\$218
Manager	\$156
Senior	\$112
Staff	\$ 94

You agree that if you fail to pay for services rendered or expenses incurred for this engagement, we either may discontinue performing services for you until all outstanding balances are paid and/or may withdraw from the engagement 10 days after the mailing of written notice to you at the same address to which statements are sent. You recognize that any discontinuation of work or withdrawal by us could seriously harm your interests, but nevertheless specifically give your consent to us to do so and to any court of law, arbitrator or other forum to allow us to withdraw if we choose to withdraw from this engagement for any reason at our sole discretion.

We are pleased to be able to provide you with the above services. Our employees are highly qualified, and many employers would like to employ our staff on a permanent basis. Because of the extensive training and knowledge our staff has developed, their separation would be a significant resource loss to our firm. As part of this engagement, we discourage any offers of employment from you to our employees, whether that offer is a result of an ad for employment in a newspaper, recruiter, or directly from your company. If any Heinfeld, Meech & Co., P.C., employee who participates in this engagement is hired by you for any position during the engagement or within one year after the end of the engagement, you will agree to pay a placement fee of 30% of starting salary. The placement fee would be due and payable on the starting date of the employee.

***Mediation/Arbitration***

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. Costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, each of us is giving up the right to

have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

**Conclusion**

This letter sets forth the entire agreement relating to our consulting services. This letter supersedes any prior agreements, discussions or understandings. No amendment or modification of this agreement shall be valid unless in writing, signed by both parties to this agreement.

If this letter correctly describes our engagement, please sign the original of this engagement letter.

Sincerely,



Karin M. Smith, MBA, SFO  
Partner  
Heinfeld, Meech & Co., P.C.

Please indicate the name of the individual responsible for overseeing the services outlined in this letter:

Name: \_\_\_\_\_

The above letter confirms our understanding of the services to be performed and the limitations of those services.

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_