



Chavan & Associates, LLP
Certified Public Accountants

August 23, 2017

San Rafael City Schools
310 Nova Albion Way
San Rafael, CA 94903

This is an open letter of engagement between San Rafael City Schools (The "District") and Chavan & Associates, LLP, Certified Public Accountants ("C&A"). Under the scope of this engagement, C&A will provide the following services for each pre-qualification package delivered related to San Rafael City Schools:

1. We will review and evaluate the financial capacity of the contractors as follows:
 - i. The evaluation will include financial indicators such as revenues, expenses, assets, liabilities, net worth, working capital, bonding capacity and various ratios C&A deems relevant.
 - ii. The information will be reviewed and analyzed from at least the most recent audited or reviewed financial statements and internal financial statements provided in the applications; dated as required by the application.
 - iii. We will provide a summary of our evaluation and a recommendation for a maximum contract amount for each contractor.
 - iv. We will provide a summary list of all contractors with our recommended maximum contract amounts for each contractor.
2. If we identify that financial information is missing, we will notify the District directly upon our discovery.
3. If we happen upon any other missing information in the application we will notify the District.

Our fee will be \$250 per application processed. We anticipate there will be 15 to 25 applications, therefore our total fee for these services should be from \$3,750 to \$6,250. We will invoice for these services as work progresses. All invoices are due and payable within 30 days of receipt. We expect to complete our services by September 30, 2017. However, if more time is required we will notify the District.

If we identify the need for additional services or if the scope of this agreement changes, we will notify the District immediately and prior to performing any additional work. Please be advised that this engagement does not include any expression of opinion on any entity's financial statements. The terms of this engagement end on October 31, 2017, unless otherwise agreed.

You may withdraw from this engagement at any time, without cause, should you desire to do so. We do request that you notify us in writing of your decision to withdraw. Our firm also reserves the right to



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withdraw from this engagement at any time, should we feel that the mutual objectives of this engagement cannot be reached, or if we feel that we cannot properly serve your request for support. Should either party withdraw from this engagement, all fees incurred to date will be billed and due payable.

Please indicate your approval of the terms of this engagement by signing where indicated below. Should you have additional questions, please do not hesitate to contact us.

Very truly yours,

C & A LLP

Sheldon Chavan, CPA, Partner
Chavan & Associates, LLP

Accepted by: _____

Print name: _____

Title: _____

Date: _____