



May 18, 2018

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

Per our contact dated September 11, 2017, we are engaged with San Rafael City Schools (The "District") to provide the following services for each pre-qualification package delivered to us by the District:

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.

We have processed 54 applications to date under the original contract and subsequent amendments. We anticipate that we will process an additional 25 applications over the next 30 days. Our fee will be \$250 per application processed for an additional fee of \$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 these services by June 15, 2018. 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.

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 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.



# Chavan & Associates, LLP

Certified Public Accountants

---

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: \_\_\_\_\_