



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants & Consultants

VALUE THE DIFFERENCE

November 3, 2018

Ms. Linette Hodson
Chief Business Official
Castaic Union School District
28131 Livingston Avenue
Valencia CA 91355

Dear Chief Business Official Hodson:

Thank you for your interest in contracting with our firm for assistance in transitioning the District Business Office. We look forward to continuing to serve your District.

The standards to which VTD will conform are intended to better serve the public interest and to maintain a high degree of integrity, objectivity and independence for both audit work and for non-audit work with government audit clients.

The standard for non-audit services for government audit clients is based on two overarching principles:

- Auditors (VTD) should not perform management functions or make management decisions; and
- Auditors (VTD) should not audit their own work or provide non-audit services in situations where the amounts or services involved are significant / material to the subject matter of the audit.

In lieu of these principles, our available resources and considering your needs, our firm suggests the following way that we can assist you during the next year. We will provide you with professional accounting assistance within the engagement scope and on the terms stated below.

OBJECTIVE OF ENGAGEMENT

The District requests assistance as the District implements best practice in the Business Office.

SCOPE OF SERVICES

The work will be non-audit services as defined by Governmental Auditing Standards issued by the Comptroller General of the United States. Our work will not constitute an audit or review of transactions and should not be relied upon as such.

The District is responsible for the appropriate recording and reporting of financial transactions and management decisions. Accordingly, all work will be conducted at your direction or the direction of the Supervisor of Business Services, to ensure that the work meets the District's objectives. Either you or the Supervisor of Business Services will be responsible for review and approval of any work product directly prepared by VTD, including any adjustments to the accounting records that may be proposed by VTD, or reports drafted by VTD during the engagement.

Governmental Auditing Standards require that the District be responsible for the substantive outcomes of VTD work and be in a position in fact and appearance to make an informed judgment on the results of the non-audit services and that the Castaic Union School District

- Designates a knowledgeable management level individual to be responsible and accountable for overseeing the non-audit services.
- Establishes and monitors the performance of the non-audit services to ensure that it meets management's objectives.
- Makes any decisions that involve management functions related to the non-audit services and accepts full responsibility for such decisions.
- Evaluates the adequacy of the services performed and any findings that result.
- Informs the board of this engagement.

DELIVERABLES

Specific services to be provided follow. Any additional services requested, other than routine advice and training will require an amendment of this agreement.

The engagement will be to assist the accounting staff in the completion of financial reports required by other government entities, mostly by the California Department of Education.

During the course of our engagement, you may request that we provide services outside the defined scope of this agreement. For us to consider such services, we require you provide a request in writing to us via the engagement partner. Should we agree to provide the additional services outlined in your written request, we will discuss with you the terms of those services and document those terms in an appropriate form, which may include an amended or separate engagement letter.

STAFFING

The Partner in charge of the engagement will be Caroline Larson. Every effort will be made to delegate work to our accounting staff to minimize the expense to the District and/or meet District deadlines.

Vavrinek, Trine, Day & Co., LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business and Professions Code. It is not anticipated that any of the non-licensure owners will be performing audit services for the agency.

FEES

Fees will be based on the hours worked. Invoices will be submitted monthly and are due upon receipt.

| VTD Staff | Hourly Rate: January 1, 2019 through December 31, 2019 |
|----------------------|---|
| Partner / Principal | \$225 |
| Consultant / Manager | \$200 |
| Supervisor | \$175 |
| Senior Accountant | \$150 |
| SBS Staff Accountant | \$125 |
| Paraprofessional | \$100 |

In addition to such payment for personal services, VTD shall be reimbursed for such travel as may be necessary, including expenses for hotels, meals and mileage computed at the Internal Revenue Service (IRS) approved rate per mile.

TERMINATION OF ENGAGEMENT

The engagement may be terminated by either party without cause.

INDEPENDENT CONTRACTOR

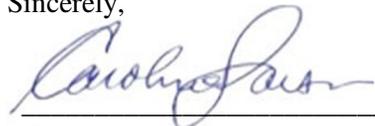
We are an independent contractor as defined by Federal and State taxing authorities.

INSURANCE

We maintain current worker compensation and liability insurance policies.

If this letter correctly sets forth your understanding of the terms and objectives of the engagement, please so indicate by signing in the space provided below.

Sincerely,



Caroline A. Larson

Steve Doyle, Superintendent

VAVRINEK, TRINE, DAY & CO., LLP.

CASTAIC UNION SCHOOL DISTRICT

Date: November 3, 2018

Date: December 6, 2018