

July 24, 2020

Members of the Board
Ms. Sherri Ludwig, CPA
Director of Business Affairs
Shaler Area School District
1800 Mt. Royal Boulevard
Glenshaw, PA 15116

Dear Member of the Board and Ms. Ludwig,

Please accept this letter as an addendum to the services outlined in our original engagement letter dated June 18, 2018. This letter is to confirm our understanding of the terms and objectives of this engagement and the nature and limitations of the services that will be provided. Shaler Area School District (School District) Director of Business Affairs will direct the nature and extent of our involvement and will retain all management authority.

Scope of Services

For the fiscal year ended June 30, 2020, we will provide the School District assistance in the year-end closeout procedures.

Our engagement will include the following services:

1. State and federal subsidy tie out to the confirmations and receivable adjustments
 - a. Funding source reconciliation, expenses vs revenues
 - i. Complete an excel spreadsheet of all expenditures by codes and all revenues by amounts in a worksheet with a total negative or positive difference for each funding source.
 - ii. Main ones to look at is Title I, Title II, Title III , Title IV, IDEA funds, Ready to Learn Block grant, and any others.
 - b. Debt Service Reimbursements
 - i. Verify amounts have been applied for and received or applicable receivable is recorded.
2. Summarize cash receipts for July and August 2020:
 - a. Separate any receipt that relates to fiscal year ended June 30, 2020 for potential accrual.
3. Real Estate and EIT adjustments based on confirmations and subsequent payments
4. Record Capital fund activity based upon bank statements/invoices provided.

- a. Capital Reserve
- b. 2019 Construction Funds
- c. 2016 Construction Funds
5. Cafeteria Adjustments
 - a. Depreciation
 - b. Accruals
 - c. Bad Debt
 - d. Schedule for June 30, 2020 inventory showing quantities, values, and extensions
 - e. Student Negative Balance Report Subtotalled by Building and total for entire Report
 - f. Student Positive Balance Report Subtotalled by Building and total for entire Report
 - g. Monthly Student Rollforward
6. Tie out beginning balances in General Ledger
 - a. Examine prior year adjustments and balances for reversal- in 2019-2020 and identify any necessary adjustments.

We will meet with the Director of Business Affairs as you determine necessary.

The services we provide will be influenced by the representations that we receive from School District personnel as to the best focus of our efforts, including, but not limited to key assumptions about the future. Changes in these assumptions or similar unforeseeable events could modify the information presented in the plan. Accordingly, inaccurate representations could cause inappropriate recommendations to be developed or could cause critical recommendations to go undetected. By signing this agreement, you indicate you understand and accept responsibility for the accuracy and completeness of information provided to us by the School District.

In order to maintain independence in relation to the School District, Maher Duessel will not perform management functions or make management decisions. These functions and decisions rest with the Director of Business Affairs. The services provided by Maher Duessel will not embrace any functions which, in Maher Duessel's judgment would impair our independence as outlined in AICPA Professional Standards, including, but not limited to, Code of Professional Conduct, Interpretation 101-3 Under Rule of Conduct 101 Performance of Other Services and as outlined within the applicable sections of *Government Auditing Standards* applicable to the engagement period. Accordingly, as part of this engagement, the School District represents and agrees that:

- To assume all management responsibilities for the oversight of the services discussed previously
- The Director of Business Affairs is responsible for reviewing and approving the proposed journal entries to record, including account coding, and therefore, has a responsibility to be in a position in fact and appearance to make an informed judgment on the results of this service.
- The Director of Business Affairs will be responsible and accountable for overseeing this service.
- The Director of Business Affairs will establish and monitor the performance of this service to ensure that it meets management's objectives.
- The Director of Business Affairs will evaluate the adequacy of the services performed and accept responsibility for the results of the services.
- No services to be rendered are intended to be, or are to be construed as, Maher Duessel acting as management, or supervising management, of the School District.

Our fees will be based upon hourly rate of \$100.

We appreciate the opportunity to be of service to you and believe this letter correctly expresses the significant terms of our engagement. If you agree with the terms of our engagement as described in this letter, please sign this document, and return it to us.

This engagement is an extension of the services outlined in our main engagement letter dated June 18, 2018 and all relevant terms and conditions of that letter are applicable. If these arrangements for our engagement are acceptable, please sign one copy of this letter and return it to us.

Sincerely,

Maher Duessel

By: 
Brian T. McCall - Partner

The arrangements described above are accepted by the School District:

BY: _____
Signature

Title

Name of authorized signer

Date