



Rea & associates
a brighter way

June 14, 2017

Mr. Tom Sommer
Celina City School District
585 E. Livingston Street
Celina, OH 45822

Dear Mr. Sommer:

This letter is to explain our understanding of the arrangements for, and the nature and limitations of, the services we are to perform for Celina City School District with respect to certain records and transactions of the School for the purpose of verifying data reported on the Medicaid School Program Agency Cost Report. The School's management is responsible for the compliance with those requirements. The specific procedures to be performed are included in the following link:

<http://education.ohio.gov/Topics/Finance-and-Funding/Programs/The-Ohio-Medicaid-Schools-Program>.

Engagement Services

Our engagement will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Because the procedures included in the attachment to this letter do not constitute an audit made in accordance with generally accepted auditing standards, we will not express an opinion on any of the specific elements, accounts, or items referred to in our report or on the financial statements of the School taken as a whole.

At the conclusion of our engagement, we will submit a report in letter form outlining the procedures performed and our findings resulting from the procedures performed.

Our report will contain a statement that it is intended solely for the use of the School, Ohio Department of Medicaid and the Ohio Department of Education and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Should you desire that others be added to our report as specified parties, please contact us as it will be necessary to obtain their agreement with respect to the sufficiency of the procedures for their purpose.

Our report will also contain a paragraph pointing out that if we had performed additional procedures or if we had conducted an audit in accordance with generally accepted auditing standards, matters in addition to any findings that may result from the procedures performed might have come to our attention and been reported to you.

The procedures that we will perform are not designed and cannot be relied upon to disclose errors, fraud or illegal acts, should any exist. However, we will inform the appropriate level of management of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless they are clearly inconsequential.

Furthermore, the procedures are not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, we will communicate to management and the board of education any significant deficiencies or material weaknesses that become known to us during the course of this engagement.

The School's Responsibilities

The sufficiency of these procedures included in the attached link, is solely the responsibility of the Specified Parties. We make no representation regarding the sufficiency of the procedures described above either for the purpose for which these services have been requested or for any other purpose.

In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the MSP cost report. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees or others.

Records and Assistance

If circumstances arise which in our professional judgment prevent us from completing the engagement, we retain the unilateral right to take any course of action permitted by professional standards, including withdrawal from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in your books and records. You will determine that all such data, if necessary, will be so reflected. Accordingly, you will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by your personnel has been discussed and coordinated with you and the contracted billing agent, HBS. The timely and accurate completion of this work is an essential condition to our completion of our services and issuance of our report. The fee below presumes that all information requested to complete the procedures will be obtained electronically.

Fees, Costs and Access to Documentation

The fees for the services described above are estimated not to exceed \$2,000 for each of the cost report dates ending 2016, 2017 and 2018 and may be subject to adjustments based on unanticipated changes in the scope of our work. All other provisions of this letter will survive any fee adjustment. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission.

In the event we are requested or authorized by The School or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for The School, The School will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Claim Resolution

The School and Rea & Associates, Inc. agree that no claim arising out of services rendered pursuant to this agreement by or on behalf of the School shall be asserted more than two years after the date of the report issued by Rea & Associates, Inc. The School waives any claim for punitive damages. Rea & Associates, Inc.'s liability for all claims, damages and costs of the School arising from this engagement is limited to the amount of fees paid by the School to Rea & Associates, Inc. for the services rendered under this arrangement letter.

If any term or provision of this agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

This letter constitutes the complete and exclusive statement of agreement between Rea & Associates, Inc. and The School, superseding all other proposals, oral or written, and all other communications with respect to the terms of the engagement between the parties.

If this letter defines the arrangements as you understand them, please sign and date a copy and return it to us. We appreciate your business.

Rea & Associates, Inc.

Confirmed on behalf of the School:

Tom Sommer, Treasurer

Date

