

Board Office Use: Legislative File Info.	
File ID Number	19 - 2289
Introduction Date	11-13-2019
Enactment Number	19-1750
Enactment Date	11/20/19 er



**OAKLAND UNIFIED
SCHOOL DISTRICT**
Community Schools. Thriving Students.

Memo

To Board of Education

From Kyla Johnson-Trammell, Superintendent
 Timothy White, Deputy Chief, Facilities Planning and Management

Board Meeting Date November 13, 2019

Subject General Services Agreement - Eide Bailly, LLP, - Facilities Planning & Management Financial & Performance Bond Audit Project

Action Requested Approval by the Board of Education of Resolution No. 1920-0042, Award General Services Agreement on behalf of the District to Eide Bailly, LLP, Oakland, California, for the Facilities Planning & Management Financial & Performance Bond Audit Project, in the amount of **\$245,000.00**, as the selected consultant and authorizing the President and Secretary of the Board to sign the Agreement for same with said consultant with work scheduled to commence on **December 11, 2019**, and scheduled to last **December 30, 2020** pursuant to the contract. Consultant was selected based on demonstrated competence and professional qualifications (Government Code §4526)

Discussion Vendor to provide bonding consulting services. Provide annual financial bond audit and performance audit for the 2018-19 fiscal year of all capital bond fund programs and related account groups under the jurisdiction of the OUSD.

00.00%

LBP (Local Business
Participation Percentage)

Recommendation Approval by the Board of Education of Resolution No. 1920-0042, Award of General Services Agreement on behalf of the District to Eide Bailly, LLP, Oakland, California, for the Facilities Planning & Management Financial & Performance Bond Audit Project in the amount of **\$245,000.00**, as the selected consultant, and authorizing the President and Secretary of the Board to sign the Agreement for same with said consultant with work scheduled to commence on **December 12, 2019**, 2019, and scheduled to last until **December 30, 2020** pursuant to the contract.

Fiscal Impact Fund 21, Measure J

Attachments

- Agreement
- Consultant Fee Schedule
- Insurance Certificate



CONTRACT JUSTIFICATION FORM

**This Form Shall Be Submitted to the Board Office With Every
Agenda Contract.**

Legislative File ID No. _____

Department: Facilities Planning and Management

Vendor Name: Eide Bailly, LLP

Project Name: Facilities Planning and Management – Financial & Performance
Audit Bond Project **Project No.:** 00918

Contract Term: Intended Start: 12-12-2019 Intended End: 12/30/2020

Annual (if annual contract) or total (if multi-year agreement) Cost: \$245,000.00

Approved by: Tadashi Nakadegawa

Is Vendor a local Oakland Business or have they meet the requirements of the

Local Business Policy? ☒ Yes (No if Unchecked)

How was this contractor or vendor selected?

Direct selection to facilitate compliance with State Law.

Summarize the services or supplies this contractor or vendor will be providing.

A request for Financial & Performance Bond Auditing. To provide annual Financial & Performance Bond Audit services for the 2018-19 fiscal year of all capital bond fund programs and related account groups under the jurisdiction of the OUSD.

Was this contract competitively bid? ☐ Check box for "Yes" (If "No," leave box unchecked)

If "No," please answer the following questions:

1) How did you determine the price is competitive?

RFP process which includes review/scoring of proposals submitted. The District received proposals and interviewed consultants. Eide Bailly, LLP, price was fair and reasonable compared to the prices submitted by the other responding consultants.

2) Please check the competitive bidding exception relied upon:

Construction Contract:

- ☐ Price is at or under UPCCAA threshold of \$60,000 (as of 1/1/19)
- ☐ CMAS contract [may only include “incidental work or service”] (Public Contract Code §§10101(a) and 10298(a)) – *contact legal counsel to discuss if applicable*
- ☐ Emergency contract (Public Contract Code §§22035 and 22050) – *contact legal counsel to discuss if applicable*
- ☐ No advantage to bidding – *contact legal counsel to discuss if applicable*
- ☐ Sole source contractor – *contact legal counsel to discuss if applicable*
- ☐ Completion contract – *contact legal counsel to discuss if applicable*
- ☐ Lease-leaseback contract RFP process – *contact legal counsel to discuss if applicable*
- ☐ Design-build contract RFP process – *contact legal counsel to discuss if applicable*
- ☐ Energy service contract – *contact legal counsel to discuss if applicable*
- ☐ Other: _____ – *contact legal counsel to discuss if applicable*

Consultant Contract:

- ☐ Construction project manager, land surveyor, or environmental services – selected based on demonstrated competence and professional qualifications (Government Code §4526)
- ☐ Architect or engineer – use of a fair, competitive RFP selection process (Government Code §§4529.10 et seq.)
- ☐ Architect or engineer when state funds being used – use of competitive process consistent with Government Code §§4526-4528 (Education Code §17070.50)
- ☐ Other professional or specially trained services or advice – no bidding or RFP required (Public Contract Code §20111(d) and Government Code §53060) – *contact legal counsel to discuss if applicable*
- ☐ For services other than above, the cost of services is \$92,600 or less (as of 1/1/19)
- ☐ No advantage to bidding (including sole source) – *contact legal counsel to discuss if applicable*

Purchasing Contract:

- ☐ Price is at or under bid threshold of \$92,600 (as of 1/1/19)
- ☐ Certain instructional materials (Public Contract Code §20118.3)

- ☐ Data processing systems and supporting software – choose one of three lowest bidders (Public Contract Code §20118.1)
- ☐ Electronic equipment – competitive negotiation (Public Contract Code §20118.2) – *contact legal counsel to discuss if applicable*
- ☐ CMAS contract [may only include “incidental work or service”] (Public Contract Code §§10101(a) and 10298(a)) – *contact legal counsel to discuss if applicable*
- ☐ Piggyback contract for purchase of personal property (Public Contract Code §20118) – *contact legal counsel to discuss if applicable*
- ☐ Supplies for emergency construction contract (Public Contract Code §§22035 and 22050) – *contact legal counsel to discuss if applicable*
- ☐ No advantage to bidding (including sole source) – *contact legal counsel to discuss if applicable*
- ☐ Other: _____

Maintenance Contract:

- ☐ Price is at or under bid threshold of \$92,600 (as of 1/1/19)
- ☐ No advantage to bidding (including sole source) – *contact legal counsel to discuss*
- ☐ Other: _____

3) Explain in detail the facts that support the applicability of the exception marked above:



**RESOLUTION OF THE
BOARD OF EDUCATION
OAKLAND UNIFIED SCHOOL DISTRICT**

RESOLUTION NO. 1920-0042

**AWARD OF GENERAL SERVICES AGREEMENT FOR
THE FACILITIES PLANNING & MANAGEMENT FINANCIAL &
PERFORMANCE BOND AUDIT PROJECT**

WHEREAS, the District has selected **Eide Bailly, LLP** (“Contractor”) for the Facilities Planning & Management Financial & Performance Bond Audit Project, no. 00918 consisting of providing annual Financial & Performance Bond Audit Services for the 2018-19 fiscal year of all capital bond fund programs and related account groups under the jurisdiction of the Oakland Unified School District. The District may elect to renew for up to two, one-year renewal options for maximum total contract duration of three years. (“Project”); and,

WHEREAS, proposals were requested for the contract for the Project (“Contract”) and contractor was – selected based on demonstrated competence and professional qualifications, competitive RFP selection process (Government Code §4526); and,

WHEREAS, the selected contractor has met the goals for local business participation, as required by the District’s policy for such participation; and,

WHEREAS, the Contract has been approved as to form by General Counsel.

NOW, THEREFORE, BE IT RESOLVED, that the Contract signed by Contractor in the amount of **TWO HUNDRED FORTY-FIVE THOUSAND DOLLARS NO/100 (\$245,000.00)** shall be and is hereby accepted and awarded by the Board of Education; and,

BE IT FURTHER RESOLVED, that the President and Secretary of the Board be hereby authorized to sign the Contract on behalf of the District.



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**RESOLUTION OF THE
BOARD OF EDUCATION
OAKLAND UNIFIED SCHOOL DISTRICT**

RESOLUTION NO. 1920-0042

**AWARD OF GENERAL SERVICES AGREEMENT FOR
THE FACILITIES PLANNING & MANAGEMENT FINANCIAL &
PERFORMANCE BOND AUDIT PROJECT**

Passed by the following vote:

PREFERENTIAL AYES: None

PREFERENTIAL NOES: None

YEA: Jumoke Hinton Hodge, Gary Yee, Roseann Torres, James Harris, Vice
President Jody London.

NOES: None

ABSENT: President Aimee Eng, Shanthi Gonzales

ABSTAINED: None

RECUSED: None

I hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted, at a Special Meeting of the Governing Board of the Oakland Unified School District held on **November 20, 2019**.

Kyla Johnson-Trammell, Secretary,
Board of Education

OAKLAND UNIFIED SCHOOL DISTRICT GENERAL SERVICES AGREEMENT

This GENERAL SERVICES AGREEMENT ("Agreement") is made and entered into effective **November 14, 2019** (the "Effective Date"), by and between the Oakland Unified School District ("District") and Eide Bailly, LLP ("Contractor").

1. **Contractor Services.** Contractor agrees to provide the following services to District (collectively, the "Services"): is a Bond Auditing Consulting Firm, which the District is requesting that Eide Bailly, LLP, provide annual Financial & Performance Audit bonding services for the 2018-19 fiscal year of all capital bond fund programs and related account groups under the jurisdiction of the Oakland Unified School District. *[See attached Proposal]*
2. **Contractor Qualifications.** Contractor represents and warrants to District that Contractor, and all of Contractor's employees, agents or volunteers (the "Contractor Parties"), have in effect and shall maintain in full force throughout the Term of this Agreement all licenses, credentials, permits and any other qualifications required by law to perform the Services and to fully and faithfully satisfy all of the terms set forth in this Agreement. Contractor and any Contractor Parties performing services shall be competent to perform those services.
3. **Term.** This Agreement shall begin on **November 14, 2019** and shall terminate upon completion of the Services, but no later than **December 30, 2020** ("Term"), except as otherwise stated in **Paragraph 4** below. There shall be no extension of the Term of this Agreement without the express written consent of all parties. Written notice by the District Superintendent or designee shall be sufficient to stop further performance of the Services by Contractor or the Contractor Parties. In the event of early termination, Contractor shall be paid for satisfactory Services performed to the date of termination. Upon payment by District, District shall be under no further obligation to Contractor, monetarily or otherwise, and District may proceed with the work in any manner District deems proper.
4. **Termination.** Either party may terminate this Agreement at any time by giving thirty (30) days advance written notice to the other party, however the parties may agree in writing to a shorter notice period. Notwithstanding the foregoing, District may terminate this Agreement at any time by giving written notice to Contractor if Contractor materially breaches any of the terms of this Agreement, any act or omission of Contractor or the Contractor Parties exposes District to potential liability or may cause an increase in District's insurance premiums, Contractor is adjudged a bankrupt, Contractor makes a general assignment for the benefit of creditors or a receiver is appointed because of Contractor's insolvency. Such termination shall be effective immediately upon Contractor's receipt of the notice.
5. **Payment of Fees for Services.** District agrees to pay Contractor fees in accordance with the Fee Schedule (in the attached proposal), for Services satisfactorily performed. Contractor shall not increase the rate over the course of this Agreement. Total fees paid by District to Contractor for Services under the Agreement shall not exceed **TWO HUNDRED FORTY-FIVE THOUSAND DOLLARS NO/100 (\$245,000.00)**. For the fiscal year 2018-19 audit. Total fees paid by District to Contractor for Services under the Agreement shall not exceed **ONE HUNDRED FIFTY THOUSAND DOLLARS NO/100 (150,000.00)** for the fiscal year 2019-20 audit. Total fees paid by District to

Contractor for Services under the Agreement shall not exceed ONE HUNDRED FIFTY THOUSAND DOLLARS NO/100 (\$150,000.00) for the fiscal year 2020-21 audit. Contractor shall perform all Services required by the Agreement even if the Fee has already been paid and no more payments will be forthcoming. District agrees to pay the Fee, up to the maximum amount provided herein, within thirty (30) days of receipt of a detailed invoice from Contractor, including any additional supporting documentation District reasonably requests.

6. **Indemnity.** Contractor shall defend, indemnify, and hold harmless District and its agents, representatives, officers, consultants, employees, Board of Trustees, members of the Board of Trustees (collectively, the "District Parties"), from and against any and all claims, demands, liabilities, damages, losses, suits and actions, and expenses (including, but not limited to attorney fees and costs including fees of consultants) of any kind, nature and description (collectively, the "Claims") directly or indirectly arising out of, connected with, or resulting from any act, error, omission, negligence, or willful misconduct of Contractor, the Contractor Parties or their respective agents, subcontractors, employees, material or equipment suppliers, invitees, or licensees in the performance of or failure to perform Contractor's obligations under this Agreement, including, but not limited to Contractor's or the Contractor Parties' use of the site, Contractor's or the Contractor Parties' performance of the Services, Contractor's or the Contractor Parties' breach of any of the representations or warranties contained in this Agreement, or for injury to or death of persons or damage to property or delay or damage to the District or the District Parties. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity, which would otherwise exist as to a party, person, or entity described in this paragraph. This indemnity provision does not relieve the Board or Management from its responsibilities over the financial statements, as described in our engagement letter. Although this Indemnity is included in the contract we acknowledge that we are still held responsible.

7. **Equipment and Materials.** Contractor at its sole cost and expense shall provide and furnish all tools, labor, materials, equipment, transportation services and any other items (collectively, "Equipment") which are required or necessary to perform the Services in a manner which is consistent with generally accepted standards of the profession for similar services. Notwithstanding the foregoing, District shall not be responsible for any damages to persons or property as a result of the use, misuse or failure of any Equipment used by Contractor or the Contractor Parties, even if such Equipment is furnished, rented or loaned to Contractor or the Contractor Parties by District. Furthermore, District may reject any Equipment or workmanship that does not conform to the requirements of this Agreement and Contractor must then promptly remedy or replace it at no additional cost to District and subject to District's reasonable satisfaction.

8. **Insurance.** Without in any way limiting Contractor's liability, or indemnification obligations set forth in Paragraph 6 above, Contractor shall secure and maintain throughout the Term of this Agreement the following insurance: (i) comprehensive general liability insurance with limits of not less than \$ 1,000,000 each occurrence and \$2,000,000 in the aggregate; (ii) commercial automobile liability insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 in the aggregate, if applicable; and (iii) worker's compensation insurance as required by Labor Code section 3200, *et seq.*, if applicable. Neither Contractor nor any of the Contractor Parties shall commence performing any portion of the Services until all required insurance has been obtained and certificates indicating the required coverages have been delivered to and approved by District. All insurance policies shall include an endorsement stating that District and District Parties are named additional insureds. All of the policies

shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to District. If such a notice is not given or even if District receives a notice, District may, at its sole option, terminate this Agreement. All insurance policies shall include an endorsement stating that it is primary to any insurance or self-insurance maintained by District and shall waive all rights of subrogation against District and/or the District Parties. A copy of the declarations page of Contractor's insurance policies shall be attached to this Agreement as proof of insurance.

9. **Independent Contractor Status.** Contractor is engaged in an independently established trade, occupation, or business to provide the Services required by this Agreement and is hereby retained to provide specialized services for District that are outside the usual course of District's business. Contractor is free from the control and direction of District in connection with the manner in which it provides the Services to District. Contractor understands and agrees that Contractor and the Contractor Parties shall not be considered officers, employees, agents, partners, or joint venturers of District, and are not entitled to benefits of any kind or nature normally provided to employees of District and/or to which District's employees are normally entitled.

10. **Taxes.** All payments made by District to Contractor pursuant to this Agreement shall be reported to the applicable federal and state taxing authorities as required. District will not withhold any money from fees payable to Contractor, including FICA (social security), state or federal unemployment insurance contributions, or state or federal income tax or disability insurance. Contractor shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Contractor and the Contractor Parties and otherwise in connection with this Agreement.

11. **Fingerprinting/Criminal Background Investigation Certification.** Contractor and the Contractor Parties shall at all times comply with the fingerprinting and criminal background investigation requirements of the California Education Code ("Education Code") section 45125.1, and shall complete the Fingerprinting Notice and Acknowledgement Form and Student Contract Form.

12. **Tuberculosis Certification.** Contractor and the Contractor Parties shall at all times comply with the tuberculosis ("TB") certification requirements of Education Code section 49406. Accordingly, by checking the applicable boxes below, Contractor hereby represents and warrants to District the following:

A. ☒ Contractor and Contractor Parties shall **only have limited or no contact** (as determined by District) with District students at all times during the Term of this Agreement.

B. ☐ The following Contractor and Contractor Parties shall have **more than limited contact** (as determined by District) with District students during the Term of this Agreement and, at no cost to District, have received a TB test in full compliance with the requirements of Education Code section 49406:

_____. [Attach and sign additional pages, as needed.]

Contractor shall maintain on file the certificates showing that the Contractor and Contractor Parties

were examined and found free from active TB. These forms shall be regularly maintained and updated by Contractor and shall be available to District upon request or audit.

Contractor further agrees and acknowledges that all new personnel hired after the Effective Date of this Agreement by Contractor and Contractor Parties are subject to the TB certification requirements and shall be prohibited from having any contact with District students until the TB certification requirements have been satisfied and District determines whether any contact is permissible.

13. **Confidential Information.** Contractor shall maintain the confidentiality of, and protect from unauthorized disclosure, any and all individual student information received from the District, including but not limited to student names and other identifying information. Contractor shall not use such student information for any purpose other than carrying out the obligations under this Agreement. Upon termination of this Agreement, Contractor shall turn over to District all educational records related to the services provided to any District student pursuant to this Agreement.

14. **Assignment/Successors and Assigns.** Contractor shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations under this Agreement without the prior written consent of District. Subject to the foregoing, this Agreement shall be binding on the heirs, executors, administrators, successors, and assigns of the respective parties.

15. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

16. **Amendments.** The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written agreement signed by both parties and approved by the governing board.

17. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding its choice of law rules. Any action or proceeding seeking any relief under or with respect to this Agreement shall be brought solely in the Superior Court of the State of California for the County of Alameda, subject to transfer of venue under applicable State law, provided that nothing in this Agreement shall constitute a waiver of immunity to suit by the District.

18. **Written Notice.** Written notice shall be deemed to have been duly served if delivered in person to Contractor at the address located next to the party signatures below, or if delivered at or sent by registered or certified or overnight mail to the last business address known to the person who sends the notice.

19. **Compliance with Law.** Each and every provision of law and clause required by law to be inserted into this Agreement shall be deemed to be inserted herein and this Agreement shall be read and enforced as though it were included therein. Contractor shall comply with all applicable federal, state, and local laws, rules, regulations and ordinances, including but not limited to fingerprinting under Education Code section 45125.1, confidentiality of records, Education Code section 49406 and others. Contractor agrees that it shall comply with all legal requirements for the performance of duties under this Agreement and that failure to do so shall constitute material breach.

20. **Non-Discrimination.** There shall be no unlawful discrimination in the contracting of persons under this Agreement because of race, color, national origin, age, ancestry, religion, sex, or sexual orientation of such persons.

21. **Attorneys' Fees.** If any legal action is taken to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and other reasonable costs and expenses incurred in connection with that legal action.

22. **Liability of District.** Notwithstanding anything stated herein to the contrary, District shall not be liable for any special, consequential, indirect or incidental damages, including but not limited to lost profits in connection with this Agreement.

23. **Time.** Time is of the essence to this Agreement.

24. **Waiver.** No delay or omission by District in exercising any right under this Agreement shall operate as a waiver of that or any other right and no single or partial exercise of any right shall preclude the District from any or further exercise of any right or remedy.

25. **Entire Agreement.** (See attached engagement letter as an addendum.) This Agreement is intended by the parties as the final expression of their agreement with respect to such terms as are included herein and as the complete and exclusive statement of its terms and may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement, nor explained or supplemented by evidence of consistent additional terms.

26. **Ambiguity.** The parties to this Agreement, and each of them, hereby represent that the language contained herein is to be construed as jointly proposed and jointly accepted, and in the event of any subsequent determination of ambiguity, all parties shall be treated as equally responsible for such ambiguity.

27. **Execution of Other Documents.** The parties to this Agreement shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement.

28. **Execution in Counterparts.** This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy, facsimile, or an original, with all signatures appended together, shall be deemed a fully executed agreement.

29. **Warranty of Authority.** The persons who have signed this Agreement warrant that they are legally authorized to do so on behalf of the respective parties, and by their signatures to bind the respective parties to this Agreement.

30. **Local Business.** ~~Contractor shall comply with the requirements of the District's Local, Small Local, and Small Local Resident Business Enterprise Program, which may require a 50% minimum local participation requirement in the performance of this Agreement. A copy of this program may be obtained at www.ousd.k12.ca.us, under the Facilities Planning & Management Department drop down menu, at "Bids and Requests for Proposals."~~

31. **Forms.** The following forms, attached to the proposal, are incorporated into the contract:

- ~~Roof project certification (if required; see Public Contract Code §3006).~~
- Fingerprinting Notice and Acknowledgement.
- ~~Iran Contracting Act Certification.~~
- Workers' Compensation Certification.
- Drug-Free Workplace Certification.
- ~~Buy American Certification.~~
- ~~Local Business Participation Form.~~

Within ten (10) days after award and before commencement of the services, the signed agreement, insurance documentation, and Student Contract Form (see Exhibit B to the Fingerprinting Notice and Acknowledgement) shall be submitted to the District.

32. **Mediation.** A party to this Agreement shall, as a condition precedent to initiating any litigation against the other party, demand mediation of any dispute. The parties shall endeavor to include any third party claimant in the mediation. The parties shall select a mediator and schedule the mediation within thirty (30) days of the initial demand for mediation. If the parties cannot agree on a mediator, the mediator shall be appointed by JAMS. The parties to the mediation, including the parties to this Agreement, shall pay equal shares of the mediator's fees. Each party shall bear its own attorney's fees related to the mediation.

DISTRICT:

OAKLAND UNIFIED SCHOOL DISTRICT

Aimee Eng 11/26/19

Aimee Eng, Date
President, Board of Education

Kyla Johnson-Trammell 11/26/19

Kyla Johnson-Trammell, Date
Superintendent, Board of Education

Timothy White 11/22/19

Timothy White, Date
Deputy Chief, Facilities Planning & Management

Approved As to Form: .

General 11/26/19
OUSD Facilities Legal Counsel Date

CONTRACTOR:

By Nathaniel Adelman

Name: Nathaniel Adelman

Title: Partner, Eide Bailly LLP



September 6, 2019

To the Board of Education and the
Citizens' Bond Oversight Committee of the
Oakland Unified School District
Oakland, California

The following represents our understanding of the services we will provide to Oakland Unified School District.

You have requested that we audit the governmental activities and the aggregate remaining fund information of the Oakland Unified School District's Measure J and Measure B General Obligation Bond Funds (Bond Funds), as of June 30, 2018, and for the year then ended, and the related notes, which collectively comprise Funds' basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

Management's Discussion and Analysis

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

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An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and in accordance with *Government Auditing Standards*.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of Bond Funds' compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also assist in preparing the financial statements of the Bond Funds' in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the entity's auditor;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.
- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and

- j. For the accuracy and completeness of all information provided.

With respect to financial statement preparation services, Oakland Unified School District's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Reporting

We will issue a written report upon completion of our audit of the Bond Funds' basic financial statements. Our report will be addressed to the Board of Education and the Citizens' Bond Oversight Committee of the Oakland Unified School District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Nathaniel Edelman is the engagement partner for the audit services specified in this letter. Responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. We expect to begin our audit on approximately September, 2019.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices are payable upon presentation. We estimate that our fee for the audit and financial statement preparation will not exceed a maximum all-inclusive amount of \$18,000. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Funds' personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

In addition, we will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Should our relationship terminate before our audit procedures are completed and a report issued, you will be billed for services to the date of termination. All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after billing date. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

We may use third party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering our services to you. Our use of service providers may require access to client information by the service provider. We will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the confidentiality of client information accessed by such service provider and any work performed by such service provider.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Board of Education, Citizens' Bond Oversight Committee, and Management of the District the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;

- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Eide Bailly LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to a regulator pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Eide Bailly LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a regulator. The regulator may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Government Auditing Standards require that we provide, upon request, a copy of our most recent external peer review report and any subsequent review reports to the party contracting for the audit. Accordingly, we will provide a copy of our most recent peer review report at your request.

Eide Bailly LLP is a member of HLB International, a worldwide organization of accounting firms and business advisors, ("HLB"). Each member firm of HLB, including Eide Bailly LLP is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of HLB.

Eide Bailly LLP formed The Eide Bailly Alliance Network, a network for small to mid-sized CPA firms across the nation. Each member firm of The Eide Bailly Alliance, including Eide Bailly LLP, is a separate and independent legal entity and is not owned or controlled by any other member of The Eide Bailly Alliance. Each member firm of The Eide Bailly Alliance is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of The Eide Bailly Alliance or any other member firm of The Eide Bailly Alliance and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of The Eide Bailly Alliance.

Eide Bailly, LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business Code. It is not anticipated that any of the non-licensee owners will be performing audit services for Oakland Unified School District.

DISPUTE RESOLUTION

The following procedures shall be used to resolve any disagreement, controversy or claim that may arise out of any aspect of our services or relationship with you, including this engagement, for any reason ("Dispute"). Specifically, we agree to first mediate.

Mediation

All Disputes between us shall first be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator. The mediator will be selected by mutual agreement, but if we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA").

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute. Mediation will be conducted with the parties in person in Palo Alto, California.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Either party may commence suit on a Dispute after the mediator declares an impasse.

LIMITATION OF DAMAGES AND NO PUNITIVE DAMAGES

The exclusive remedy available to you in any adjudication proceeding shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by us of our duties under this agreement and/or under applicable professional standards, such damages will be limited to no more than two times fees paid under this agreement. In no event shall we be liable to you for any punitive or exemplary damages, or for attorneys' fees.

TIME LIMITATION

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute. We both agree that, notwithstanding any statute of limitations that might otherwise apply to a Dispute, it is reasonable that you may not bring any legal proceeding against us unless it is commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our report, return or other deliverable under this agreement to you, regardless of whether we do other services for you or that may relate to the audit.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

INDEMNITY

You agree that none of Elde Bailly LLP, its partners, affiliates, officers or employees (collectively "Elde Bailly") shall be responsible for or liable to you for any misstatements in your financial statements that we may fail to detect as a result of knowing representations made to us, or the concealment or intentional withholding of information from us, by any of your owners, directors, officers or employees, whether or not they acted in doing so in your interests or for your benefit, and to hold Elde Bailly harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees from any such misstatement, provided that the services performed hereunder were performed in accordance with professional standards, in all material respects.

If a claim is brought against you by a third-party that arises out of or is in any way related to the services provided under this engagement, you agree to indemnify Elde Bailly LLP, its partners, affiliates, officers and employees against any losses, including settlement payments, judgments, damage awards, punitive or exemplary damages, and the costs of litigation (including attorneys' fees) associated with the services performed hereunder provided that the services were performed in accordance with professional standards, in all material respects.

ASSIGNMENTS PROHIBITED

You agree that you will not and may not assign, sell, barter or transfer any legal rights, causes of actions, claims or Disputes you may have against Elde Bailly LLP, its partners, affiliates, officers and employees, to any other person or party, or to any trustee, receiver or other third party.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your certified public accountants and look forward to working with you and your staff.

Respectfully,



Nathaniel Edelman, CPA
Partner

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Oakland Unified School District by:

Name:  _____

Title: Chief Systems and Services Officer

Date: September 19, 2019



INSPIRED BY A CONFIDENT FUTURE



August 29, 2019

**Proposal for General Obligation Bond Fund
Financial and Performance Audit Services**

OAKLAND UNIFIED SCHOOL DISTRICT

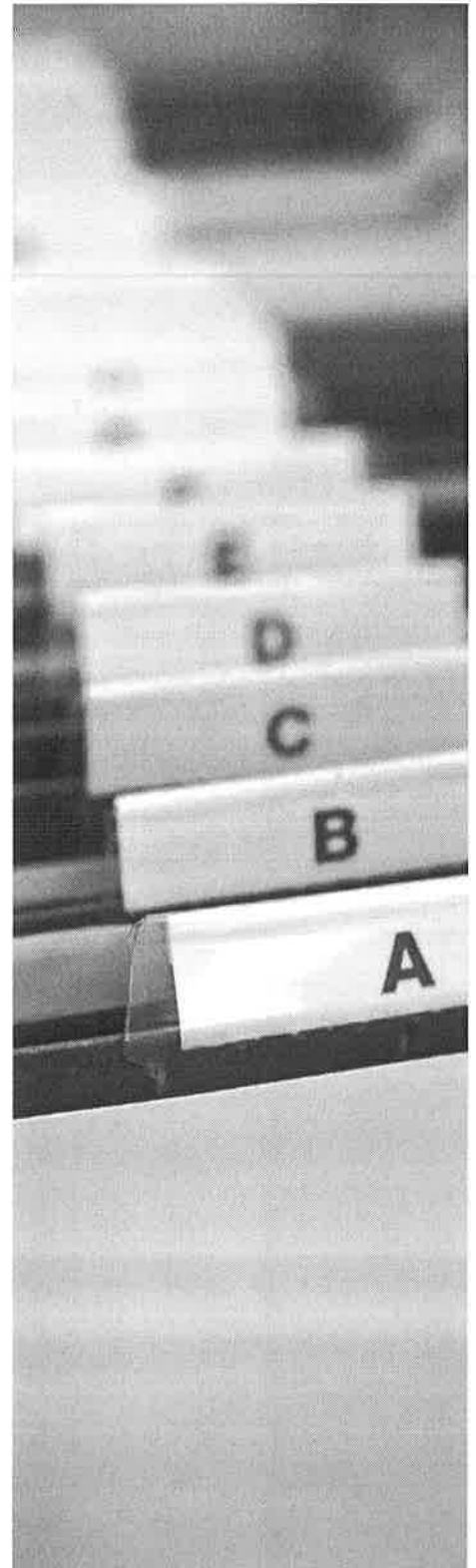
Submitted By:

Eide Bailly LLP
Nathaniel Edelman, CPA
Partner



TABLE OF CONTENTS

Executive Summary.....	3
Firm History and Experience.....	4
Industry Experience	6
Oakland Unified School District General Obligation Bond Program Audit Approach.....	9
References.....	18
Team Qualifications	19
Additional Resources.....	23
Cost Proposal	24
Why Choose Eide Bailly.....	26
Appendix A – Team Profiles	27
Appendix B – Peer Review.....	31
Appendix C – Required Attachments.....	32



Executive Summary

WE WANT TO WORK WITH YOU.

Thank you for giving Eide Bailly LLP the opportunity to propose on the General Obligation Bond Fund Financial and Performance Audit Services for Oakland Unified School District ("the District"). We are confident the District will benefit from working with Eide Bailly. We've served the government industry for more than 50 years and work with more than 900 government clients throughout the nation, including more than 427 school districts.

Through serving these clients, our professionals have gained focused expertise regarding school districts and will provide you with insightful advice that aids in managing the finances of the District.

We stay abreast of current issues impacting education institutions and grow our knowledge by attending workshops and trainings. During your engagement, we will work closely with your management team to identify issues and provide responsive solutions that are tailored to your organization. In addition, you will experience partner involvement during all phases of the engagement, as well as throughout the year. At Eide Bailly, we make it a priority to be accessible to our clients, which includes returning phone calls and e-mails in a timely manner.

School District Experience

We understand schools face a myriad of challenges, especially in these difficult economic times. School districts of all sizes face increasing demands for accountability, while coping with decreasing revenue sources. Districts in many areas are struggling to maintain quality programs and services while becoming increasingly vulnerable to state spending reductions. Other districts are continually planning and restructuring as student demographics fluctuate. Whatever challenges the District faces, our governmental team will listen to your needs in order to gain a better understanding. This, in turn, will help you respond, adapt and operate more efficiently.

We Want to Work with You

The following pages highlight our firm's strengths and demonstrate why Eide Bailly merits serious consideration. Know that you will be a highly valued client. Our people would be proud to work with Oakland Unified School District and build a trusting relationship with your team. Please contact me at nedelman@eidebailly.com or 650-223-6115 if you would like to discuss any aspect of this proposal.

Sincerely,



Nathaniel Edelman, CPA
Partner

1 EXPERIENCE
Our experienced professionals are committed to the industries we serve. We focus on training, and we like to think of ourselves as thought leaders.

2 PEOPLE
We're a team of collaborators and innovators. Our culture is the heart of our firm, and we're always working together to do things differently and better.

3 COMMUNICATIONS
Open, honest, frequent communication ensures that you're not in for any surprises. We'll stay in touch throughout the year so you feel understood, connected and confident.

4 CORPORATE RESPONSIBILITY
We consider ourselves good corporate citizens—caring for our people, giving back to our communities, and taking care of our environment.

STANDING OUT FROM THE CROWD

Firm History and Experience

With more than 100 years of service, your experience will be different than working with other CPA firms. Our professionals deliver industry and subject matter expertise resourcefully, ensuring that we're providing guidance that directly reflects your needs.

Eide Bailly is a Top 25 CPA firm in the nation with offices in 15 states. Our clients benefit from local, personal service and, at the same time, enjoy access to 2,500 professionals with diverse skill sets and experiences.

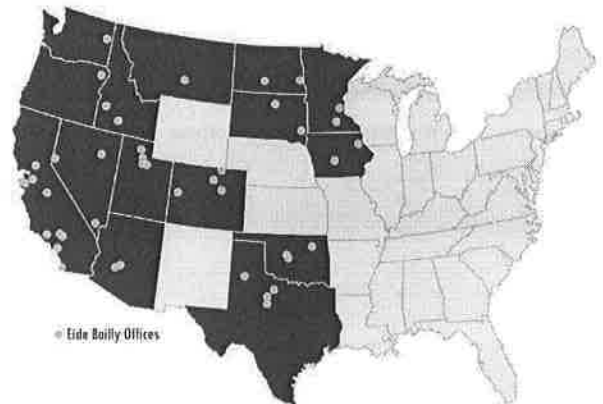
We pride ourselves on being leaders in the industries we serve, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're here to help guide the strategy and operations of your organization, and we aim to make sure our clients feel connected and understand the process.

Our people are optimistic and good-natured—we know you'll enjoy working with us as much as we enjoy working with each other. Our service style is hands-on, and we're always looking for new ways to solve your problems or help you embrace opportunities.

Our Promise to Clients

Our work with clients is more than an engagement. It's a relationship, built on value and trust—and results. When working with Eide Bailly, you will:

- Work with professionals who truly care about your business and will take the time to get to know you and your organization.
- Gain insight from our industry and service specialists to accomplish your objectives, address challenges and leverage new opportunities.
- Make better business decisions knowing you are guided by trusted advisors who care about your success.



Firm History and Experience

Independence

Eide Bailly is independent of Oakland Unified School District as defined by the generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

Peer Review

Eide Bailly is a member of the American Institute of Certified Public Accountants Private Companies Practice Section (PCPS), Center for Public Company Audit Firms (CPCAF) and Governmental Audit Quality Center. Our membership with the AICPA requires a third-party peer review of our audit and accounting practice every three years and is included in **Appendix B**. This review included several similar clients and received a rating of 'Pass'.

Our audit workpapers of the Oakland Unified School District financial audit are subject of a mandatory quality control review by the California State Controller. They have completed *seven* consecutive reviews and have issued "clean" reports on each. No other audit firm has an independent validation to this extent. We also affirm that the firm, and members of the audit team, do not have a record of substandard audit work and has not been (and is not) debarred.

Licensed to Practice

Eide Bailly and each of the professional staff assigned to the District are properly registered and licensed to practice in California.

Firm Registrations:

California Secretary of State Registration Number – 201 997 098 003

California State Board of Accountancy Permit Number – 2376

A majority of states, including California, have adopted mobility legislation—a practice privilege that generally permits a licensed CPA in good standing from a substantially equivalent state to practice outside of his or her principal place of business without obtaining another license.

All assigned key professional staff have complied with governmental qualification standards, including governmental continuing education requirements.

Receipt of Addendum

We explicitly acknowledge receipt of Addendum 1.

KEEP YOUR FOCUS ON WHAT MATTERS

Industry Experience

WE UNDERSTAND SCHOOL DISTRICTS

The firm has 275 full-time professionals who participate in our Governmental Services Group. These professionals share information, learn from others and stay up-to-date on industry developments. To gain the greatest benefit, the knowledge is shared with professionals across the firm.

Government and School District Experience

The governmental industry represents one of Eide Bailly's largest niche areas—with more than 900 governmental clients firmwide. We provide audit services for a variety of school districts, as well as colleges and universities, housing authorities, cities, counties, fire relief agencies, state agencies, and tribal entities.

These services include, but are not limited to, evaluating internal control structure, assessing control risk and performing tests of controls, as well as testing compliance with applicable laws and regulations in accordance with *Government Auditing Standards*. Through serving these clients, our professionals have gained focused expertise in the governmental industry and will provide you with insightful advice that aids in managing the finances of the District.

School districts of all sizes face increasing demands for accountability while coping with decreasing revenue sources. Schools face a myriad of challenges in their day-to-day: Maintaining quality programs and services while becoming increasingly vulnerable to state spending reductions; continually planning and restructuring as student demographics fluctuate. It can be a challenge to operate efficiently and also keep an eye on the future.

Having a team by your side that will listen to your needs and help you respond and adapt to whatever challenges lie in the path of success can make the difference between passing and a failing grade when it comes to your goals. Our approach stands apart because we emphasize collaborative communication throughout the year. You can expect regular meetings that keep you up-to-date on time lines and process, and our partners and senior level professionals are accessible when you need them.

The decisions you make lay the groundwork for educating not only today's students, but tomorrow's as well. With Eide Bailly, you will feel confident you are on the path to achieving your goals.

Industry Experience

Vavrinek, Trine, Day, & Co., LLP

We are pleased to announce that Vavrinek, Trine, Day & Co. LLP (VTD) is now Eide Bailly. With 11 offices throughout California, as part of Eide Bailly, our geographic reach extends to 15 states west of the Mississippi and our staff count grows to approximately 2,500.

A significant percentage of VTD's current practice is devoted to the governmental sector.

VTD provides governmental auditing and specialized accounting services to over 300 governmental agencies, and proudly provides audit services to more than 350 local educational agencies including elementary, high school, and K-12 unified districts throughout California, more than any other provider of these services in the state. The District will have access to these professionals, as well as the entire Eide Bailly Governmental Services Group. VTD has devoted a substantial amount of time and resources to developing their governmental practice specifically as it relates to K-12 school districts. Clients are provided with a high quality audit that is both efficient and timely. Their expertise in this industry has positioned them to be a leading provider of audit services to K-12 school districts throughout California.

VTD's key industries include, but are not limited to, school districts, higher education, large municipal and regional governments, financial institutions, manufacturing, retail enterprises, and nonprofit corporations.

Government Industry Involvement

In an industry where standards continually evolve and change, Eide Bailly makes it a priority to stay current and assist our clients with necessary changes. In addition to helping clients implement new standards, we also help them adapt to changes within the existing standards.

Our team members are truly engaged in the governmental industry and are well positioned in organizations associated with governmental entities. We are leaders in the Governmental Accounting Standards Advisory Council (GASAC), the AICPA's Governmental Audit Quality Center, AICPA State and Local Government Expert Panel and PCPS Technical Committee, local and national boards of the AGA, including the Financial Management Standards Board, and the review committee for the GFOA's Certificate of Excellence for Achievement in Financial Reporting. Due to our leadership positions, the District will have access to information not available from other accounting firms.

Eide Bailly also regularly attends GASB meetings throughout the year and we communicate the results of those meetings to our clients through our newsletters, e-blasts and webinars. We are involved with GASB's financial reporting reexamination task force shaping the future of state and local governmental accounting and reporting and participate in the reexamination of the revenue and expense model and note disclosure projects with GASB.



Industry Experience

Single Audit Experience

Eide Bailly has experience providing single audits related to federal expenditures which ensure our clients remain compliant. Eide Bailly audits more than \$9.5 billion in federal expenditures, which provides us with extensive experience in single audits. Not only are we on the forefront of new regulations, but because of our vast experience with governmental entities, we have familiarity with a wide variety of federal programs.

Thought Leadership

A number of partners at Eide Bailly are nationally recognized state and local governmental thought leaders who present at dozens of national venues including: National Association of State Auditors, Comptrollers, and Treasurers; California GFOA; California Society of Municipal Finance Officers; Oregon Government Finance Officers Association; the California State Association of County Retirement Systems; the California Association of Public Retirement Systems; AGA National Professional Development Conference; National Association of Housing and Redevelopment Officials (NAHRO); various states' Societies of CPA's.

We also provide training for state and local agencies. Some of these agencies include Controllers' offices of the State of Tennessee, Texas State Auditor, State of Montana, Commonwealth of Massachusetts and the State of Nevada. Additionally, we are involved in the AICPA's Governmental Audit Quality Center, and members of the State and Local Expert Panel, the PCPS Technical Committee, local and national boards of the AGA, and the review committee for the GFOA's Certificate of Excellence for Achievement in Financial Reporting.

Furthermore, an Eide Bailly Partner, is the author for the entire Governmental Library for Commerce Clearinghouse Wolters Kluwer (CCH). This library serves as the interpretative reference on governmental GAAP, governmental best practices and governmental audits for governments, auditors and educators nationwide.

Online Publications – the District will also have access to resources on our Eide Bailly Government Industry website. We publish articles related to hot issues within the government accounting arena. We are also launching a higher education web page which will provide additional resources specifically for colleges and universities. Below is a list of some of the recent articles posted to our website, as well sent as an email to all of our clients:

- Student Activity Funds (and Other Items) ... Now that the GASB-84 Implementation Guide is Final.
- Common Single Audit Findings and Remediation Series: Matching, Level of Effort, and Earmarking.
- Is Your Government Ready for This Fiscal Year-End and Beyond?
- Dispatches from GASB's Meetings.
- Cybersecurity: Not Just an "IT" Issue.
- Create an Internal Audit with More Value.
- Big Government Entity: Big Fraud Problem.

Visit our website to sign up for our newsletters, e-blasts and webinars.



eidebailly.com/insights



Audit Approach

AUDIT METHODOLOGY

At Eide Bailly, we promise you a better overall experience. While we recognize that multiple firms are capable of accomplishing the objectives of an audit, Eide Bailly appreciates that every situation and every organization is different, and we tailor our approach based on the needs of each client.

Eide Bailly values its business relationships and demonstrates this through our partner and manager involvement. Our senior level professionals are involved with our clients and accessible throughout the year. They do not delegate all tasks to staff, but rather stay involved onsite during fieldwork as well as stay connected throughout the year. This approach delivers the greatest benefit to our clients in that we are able to stay abreast of changes in and updates to our client's operating environment and partner with them to achieve optimal results.

Our clients experience a communication approach that stands apart in both style and frequency. Because we recognize that effective communication is critical throughout the entire audit process, our service approach is one where communication begins with planning and continues throughout the year. Additionally, we take a collaborative communication approach with our clients and include them in the process as our peers. Our clients offer a wealth of knowledge and information about their organization and communicating with them as a business partner ultimately produces the best outcome.

Prior to beginning the engagement, we will discuss with management:

- The engagement timeline.
- The audit approach and process.
- Additional considerations that may affect scope, schedules and work papers to be prepared by your personnel.

Upon appointment as your auditor, we will discuss the audit schedules and work with you to ensure the timeline meets your needs and makes the most effective use of your staff members' time.

Audit Approach

Audit Schedule

We understand your requested timeline and are committed to a close working relationship with the goal of issuing our audit report by March 2020.

Eide Bailly commits to you that if your team is prepared for the audit when our team is in the field, we will meet your deadlines. We will work closely with your team through the planning stages to clearly define expectations and the items required from your team in order to facilitate an efficient audit to enable us to meet your deadline. The following table identifies the structure of our audit for the District reports and the timing of each section.

Engagement Timeline

Activity	Timing
Planning/Management/CBOC Meetings	October
Fieldwork	November/December
Exit Conference/Draft Report	January/ February
Reporting	March

We will meet your deadlines. By engaging in thorough audit planning and communications with management, we begin each engagement with a strong understanding of the various deadlines for each of the financial and single audits and the steps involved along the way to meet these deadlines. An audit project plan will be developed between our team and the District and then followed closely, and we will work with the District's management team to customize our auditing services and specific timelines to your needs. We believe in clear, up-front and open communication with no surprises.

Level of Staffing and Hourly Rates

Below is our proposed level of staffing and estimated hours for each segment of the audit.

For work outside the scope services	Hourly Rates
Partner:	\$350
Manager:	\$250
Senior Associates:	\$175
Associates:	\$125

Audit Approach

Audit Process

The following is a summary of our proposed approach for the Oakland Unified bond audit. This approach is modeled based on the San Francisco Unified bonds audits, which is the most similar school district to Oakland Unified. Our experience with San Francisco Unified, and other large, diverse urban school districts, will help facilitate a successful audit for Oakland Unified.

Vendor Expenditure Testing

Our vendor expenditure testing will first focus on the large dollar expenditure items. From templates that we have generated in conjunction with the general audit of the District, we have the ability to sort the entire District general ledger and drill down to specific vendors and vendor invoices. We first sort the expenditure detail by vendor. For vendors whose total expenditures exceed \$250,000 (the large dollar class), we first will extract and examine all individual expenditure amounts in excess of \$250,000. In this phase we are testing for compliance with the bond election materials, i.e., is the expenditure allowable and in line with the provisions of the published election materials. In addition, we will select a separate sample of expenditures from this group making sure we obtain at least one expenditure item from each vendor in the large dollar class. Those items will also be subjected to the testing noted above.

For those vendors whose total expenditures are less than \$250,000, we will take a separate random sample of transactions and perform similar testing as noted above. The sample size will depend on the number of transactions in the population. We use a recognized sample selection methodology that encompasses judgments as to risk assessment as well as desired levels of precision and confidence level.

Additional samples will be selected to achieve a minimal 70% coverage of total expenditures.

Internal Control Testing

We will not only verify if an item of expenditure was permissible. Typically, policies that govern the spending of bond funds have more robust control features than a typical day to day District expenditure. Our task here will be first to document those control processes. We perform this task through inquiry of responsible District officials and reading of board-approved policies. We will then test a subset of the expenditures examined above to ensure that all critical control processes were followed. A by-product of this procedure will be our assessment of the overall control process. Should we note any areas where we believe controls should be enhanced, we will appropriately note these in a separate communication to the District.

Audit Approach

Retention Releases

We will take a sample of retention releases for projects completed to ensure compliance with District controls governing retention payments. At a minimum our testing will include the following:

- The closeout checklist has been completed.
- All required signatures have been obtained.
- All other required documentation is present.
- The retention amount is clerically accurate, and the payee is correct.

Bid Testing

We will select a sample of contracts and change orders in excess of \$15,000 for compliance with the District bid requirements. At a minimum our testing will include the following:

- The contract went through a formal bid process for construction, or solicitation process for professional services, in accordance with legal requirements and District policy
- The change order was processed and approved as per District policy
- The contract/change order was approved by the Governing Board of the District
- Contract and notice to proceed are present
- SACS account coding is correct

Payroll Testing

Again, because of our ability to sort your general ledger data and drill down to individual transaction level, we can extract a listing of all payroll expenditures charged by an individual. We have, as a result of regular District auditing work, tested the general validity of the payroll process to ensure that the correct amounts are paid to employees, that all proper deductions and benefits have been calculated. Thus, as it relates to testing payroll costs charged to the bond programs, we will focus on the individuals whose payroll is charged to the bond funds. As noted, we have a listing, by an employee, and their annual salary amount charged to the bond funds. Focusing on the large dollar items, we will review employee personnel records to validate that the employee's service to the District relates to the bond programs. We expect that our test coverage in this area to be more than 90% of total payroll charged to the bond programs. Having already performed a sort on previous year payroll data, we also note a significant number of employees who have had relatively minor amounts of salary charged to the bond program. Many of them appear to be one-time charges. We will separately take a sample of these small charges and validate that these are proper payroll expenditures that should be charged to the bond programs.

Audit Approach

Using Information Technology Auditors

As part of any financial audit, Eide Bailly is required under auditing standards to obtain a sufficient understanding of the accounting system and technology environment in order to plan the audit. It is our philosophy to not only meet but also exceed this requirement by involving Eide Bailly's dedicated technology specialists to participate in audits as deemed appropriate.

Our IT methodology is based on American Institute of Certified Public Accountants (AICPA) guidelines, the internal controls framework prescribed by Committee of Sponsoring Organizations of the Treadway Commission (COSO), and the best practices for technology controls as defined by the Control Objectives for Information and Related Technology (COBIT) developed by the Information Systems Audit and Controls Association (ISACA). When auditing the technology environment, we evaluate both the general technology controls and specific application controls that are in effect. This requires our IT auditors to consider how the accounting systems, infrastructure, processes and people work individually and together to ensure that financial records are being appropriately processed and reported. As such, we must work with IT staff to assess how the relevant systems and technology environment are administered and supported, and with accounting staff to evaluate how financial data is processed and system controls are maintained to enforce segregation of duties.

Eide Bailly has extensive experience integrating a variety of IT services into our audit engagements across organizations in the public, private and nonprofit sectors. These experiences include auditing of IT operations, security and software development as well as conducting both internal and external network vulnerability tests. In addition, we have former federal and local law enforcement computer forensic specialists that utilize the latest tools to analyze and investigate digital media for a wide range of purposes.

We have seasoned professionals with years of relevant technology experience, many of whom carry a myriad of certifications, including the following designations:

- Certified Information Systems Auditor ("CISA").
- Certified in Risk and Information Systems Control ("CRISC").
- Certified Information System Security Professional ("CISSP").
- Certified Information System Manager ("CISM").
- Certified Financial Systems Auditor ("CFSA").
- Certified Ethical Hacker ("CEH").
- Certified Public Accountant ("CPA").
- Certified Common Security Framework Practitioner ("CCSFP").
- GIAC Security Essentials Certification ("GSEC").
- Certified Internal Auditor ("CIA").
- Certified Government Audit Professional ("CGAP").
- Certified Risk Management Assurance ("CRMA").
- Certified Information Technology Professional ("CITP").
- Certified Penetration Testing Engineer ("CPTe").

Our experience with audits of various entities requires adherence to various standards surrounding internal controls including the COSO Framework, generally accepted government auditing standards (GAGAS) and Federal Information System Controls Audit Manual (FISCAM). We work with all our clients to help them understand the updated COSO framework. We have conducted training on COSO and risk assessments nationwide and believe we will add value and improve the effectiveness of the risk management, control and governance processes.

Audit Approach

Use of Technology

Eide Bailly staff utilizes progressive and effective software to streamline processes and make them as efficient as possible. These technologies include:

Data Extraction Software

Eide Bailly designs our approach to incorporate the use of TeamMate Analytics--to maximize efficiency while conducting a very effective audit. Through TeamMate, we can extract information from related databases and create databases that check for duplicate payments, summarize payments, and extract journal entries from specific accounts, develop expectations for analytical procedures and recalculate system calculations among a host of other procedures that are developed by our audit team.

Other Tools

Accounting Research Manager (ARM) – Internet access of all accounting and auditing standards. Areas include GASB, FASB, AICPA, PCAOB and other resource material. We can access this material at any given time and can provide a quick response to any technical question you may have.

CCH ProSystem fx Engagement by Wolters Kluwer – Software to facilitate the audit, retains the electronic workpapers and supporting documentation, performs project tracking, and facilitates quality review.

Audit Approach

Supervisory Review and Quality Control Procedures

All of our documents have levels of review. The various levels are determined by our risk assessment during the planning stages of the audit. Typically, a review will include the following:

Seniors will review all work performed by staff.

Managers will review work performed by seniors as well as review key significant areas that was prepared by staff and reviewed by the senior. Some of these areas include accounts receivable, investments, capital assets, long term debt and pension liabilities, other liabilities, net position classification and single audits.

Partners will review areas that are deemed high from a risk perspective as well as the single audit.

Technical review will review the report for proper and technical aspects making sure everything is report properly. As a firm, we require all single audits and reporting to be reviewed by another partner with specific government/higher education experience.

We will hold an exit conference with management and provide periodic written or oral reports on the status of the audit to representatives of the District. The success of the audit is dependent on the amount of open communication throughout the year and not just during the audit period. We will work closely with management and the accounting personnel throughout the audit process and will hold weekly meetings to go over open items as well as discuss any potential accounting or compliance issues identified during the audit. We believe in no surprises. When we perform the exit conference we will hold a final discussion on any potential findings and will come to a conclusion during the conference. Our goal is to have no additional findings subsequent to the exit conference.

Analytical Procedures

Eide Bailly will apply analytical procedures throughout general planning to improve our understanding of your operations and to identify audit areas for increased attention. These will be applied to assist in planning the nature, timing and extent of other procedures. They will be applied to all balance sheet, revenue/receipt and expense/expenditure areas. These procedures include, but are not limited to, the comparison of current year to prior year and budget amounts. Areas that show results different from those anticipated or planned will be further investigated to determine the validity of the variance.

During the year-end audit fieldwork, we use analytical procedures to test whether errors affecting account balances or classes of transactions have occurred by comparing the recorded amount with an independently developed expectation of that amount. We develop the expectation in such a way that a significant difference between the expectation and the recorded amount is indicative of a financial statement misstatement, unless we can obtain and corroborate explanations for the difference. Analytical procedures are a natural extension of our understanding of your business because the key factors that influence your business may be expected to affect the financial data.

Audit Approach

In the audit reporting phase, we perform a final analytical review at the financial statement level as the last step to ensure that we have gained a comprehensive understanding of the financial statements during the audit engagement and to determine whether the financial statements are appropriately presented and contain appropriate disclosures. Such final analytical procedures highlight and explain significant changes from the previous year and ensure that such changes are consistent with the knowledge of your business and our audit evidence. These procedures typically consider trends based on several previous years instead of comparison only with the prior period.

Internal Control Structure

A significant aspect of the planning process involves understanding each reporting units' internal control environment, including information technology (IT) controls and, where relevant, testing of internal controls.

The following is a summary of the process Eide Bailly uses regarding internal controls over financial reporting and compliance:

Internal Controls over Financial Reporting

Our approach will start with any documentation related to internal controls that have already been developed. We review that documentation to obtain an overview of the internal control system and then conduct interviews with the District's staff to complete the documentation of our understanding related to internal controls and significant changes each year.

After conducting the interviews, we will evaluate the internal control system design and expected operating effectiveness for significant areas depending on the reporting unit. We expect that by completing control testing in these areas, it will allow us to reduce substantive testing and conduct an efficient audit. Our approach toward control testing will be focused on key process controls or overall system controls, rather than detailed control process testing. We will also focus on key IT related controls in process areas such as revenue, payroll and claims, as they tend to allow more efficiency for an audit perspective relative to the control process.

Eide Bailly utilizes a risk-based approach incorporating both control testing and substantive tests of balances, where appropriate. In certain areas that we do not consider as significant, we will plan to conduct the audit using a primarily substantive approach. It has been our experience that it is often more efficient and effective to substantively audit a balance rather than complete an extensive control test.

In addition, our engagement approach is based on the following:

- Observations we believe will help the Districts achieve its objectives will be shared. We will also be pleased to respond to inquiries you may have about financial or other business matters.
- The assistance to be provided by your personnel, including the preparation of schedules and analyses of accounts, will be discussed with the finance department. The timely completion of this work will assist us in performing our work efficiently.

Audit Approach

Statistical Sampling

Sampling may be performed for tests of controls, compliance testing and substantive tests of certain accounts and transactions. During our audit of basic financial statements, we will also select various transactions for testing based on materiality assessed at the appropriate level. These transactions may include such items as capital asset additions, expenditures, subsequent disbursements and subsequent receipts. We will be pleased to discuss specific sample sizes and selection methods when they are determined, either during audit planning or during fieldwork.

We will select the appropriate sample size to support our conclusions in compliance with laws and regulations. We will use confirmations in the areas of cash and investments, receivables and other areas deemed necessary.

We will combine compliance tests of laws and regulations that involve the inspection of documentation supporting transactions with substantive tests of transactions and tests of control procedures. Our audit will meet all federal and state requirements, as applicable. Samples will be used to the extent necessary to support our conclusions on compliance with laws and regulations.

Ability to Meet Deadlines and Shorten the Time in the Field

We understand the frustrations of an audit firm not meeting your stated deadlines. We commit that we can, **and will**, meet your deadlines in a collaborative manner. Our experience with other governmental audits has enabled us to fine-tune our audit process. This translates to a smooth and more efficient audit for you while meeting your deadlines and keeping our fees at a reasonable rate.

Multi-Year Approach

We attempt to retain the majority of the audit team in order to develop a historical perspective of the operating and control environment of the District. This historical perspective allows us a deeper understanding of the risks surrounding the District and the opportunity to perform a thorough audit without a learning curve. The result of our preliminary review is a planned calendar of audit events, timing and expectations based on the budgets and related materials, organizational charts, manuals and programs, and financial and other management information systems.

We also have the resources within our offices to change your current engagement team while retaining the historical perspective that we gain over the years, if you feel you would benefit from auditor rotation. The individuals in Eide Bailly's government group have extensive experience in the industry and benefit from the firm's focus on continuing education. Our governmental professionals are well-positioned in organizations associated with governmental entities, such as the American Institute of CPAs (AICPA) and Governmental Audit Quality Center, the primary purpose of which is to promote the importance of quality government audits. We have also held leadership roles in the Government Finance Officers Association (GFOA).

We will be available to the District throughout the year as a resource to answer questions, have discussions and confirm the appropriate accounting treatment for unique or infrequent transactions.

References

SIMILAR ENGAGEMENTS WITH OTHER SCHOOL DISTRICTS

We provide audit services for a variety of local school districts, including:

- Alameda County Office of Education
- Alum Rock Union Elementary School District
- Cambrian School District
- Campbell Union School District
- Cupertino School District
- Cupertino Union School District
- East Side Union High School District
- Evergreen School District
- Franklin-Mckinley School District
- Fremont Union High School District
- Gilroy Unified School District
- Hillsborough City School District
- Jefferson Elementary School District
- Live Oak School District
- Loma Prieta Joint Union School District
- Los Gatos Union School District
- Metropolitan Education District
- Morgan Hill Unified School District
- Oak Grove School District
- Oakland Unified School District
- Pajaro Valley Unified School District
- Palo Alto Unified School District
- Redwood City School District
- San Francisco Unified School District
- San Jose Unified School District
- Santa Clara County Office of Education
- Santa Clara Unified School District
- Saratoga Union School District
- Sunnyvale School District

As a top 25 CPA firm, we've built our business on relationships and believe our clients to be the best critics of our service. The clients below have similarities to your organization, and we encourage you to contact them to learn about their Eide Bailly experiences.

Similar Clients

Oakland Unified School District

Preston Thomas, Chief System and Service Officer
1000 Broadway, Suite 450
Oakland, CA 94607
Ph: (510) 434-7790
Email: preston.thomas@ousd.org

East Side Union High School District

Sylvia Pelayo, Fiscal Services Director
830 N. Capital Avenue
San Jose, CA 95133
Ph: (408) 347-5220
Email: pelayos@esuhas.org

San Francisco Unified School District

Paulette Terrell, Director of Fiscal Service
135 Van Ness Avenue
San Francisco, CA 94102
Ph: (415) 241-6695 ext. 1623
Email: terrellp@sfusd.edu

Fremont Union High School District

Christina Mallery, CBO/Associate Superintendent
589 West Fremont Avenue
Sunnyvale, CA 94087-2556
Ph: (408) 522-2200
Email: christine_mallery@fuhisd.org

San Jose Unified School District

Florence Eng, Internal Auditor
855 Lenzen Avenue
San Jose, CA 95123
Ph: (408) 535-6000 ext. 17212
Email: feng@sjusd.org



What Our Clients Say

"Eide Bailly's depth of knowledge within school districts has been very comforting. Their professionals have been helpful in explaining new regulations and keeping me up-to-date. I actually enjoy having them here for our audit!"

Amie Schauer
Business Manager
Faith School District

A COLLABORATIVE APPROACH



Team Qualifications

AN EXPERIENCED TEAM

We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the governmental industry.

Nathan Edelman, CPA will lead the overall engagement team, and serve as the Financial Audit Engagement Partner. Thomas Madison, CFA, CPA will serve as the Performance Audit Partner and Brent Impecoven, CPA will serve as the Performance Audit Manager. These professionals are licensed to practice public accounting and bring relevant credentials and a desire to work with the District. If awarded these engagements, these individuals will be available to present to the Board of Education, Citizens' Oversight Committee, and Senior Management of the District and its Facilities department. Additional resources will support the project team as necessary.

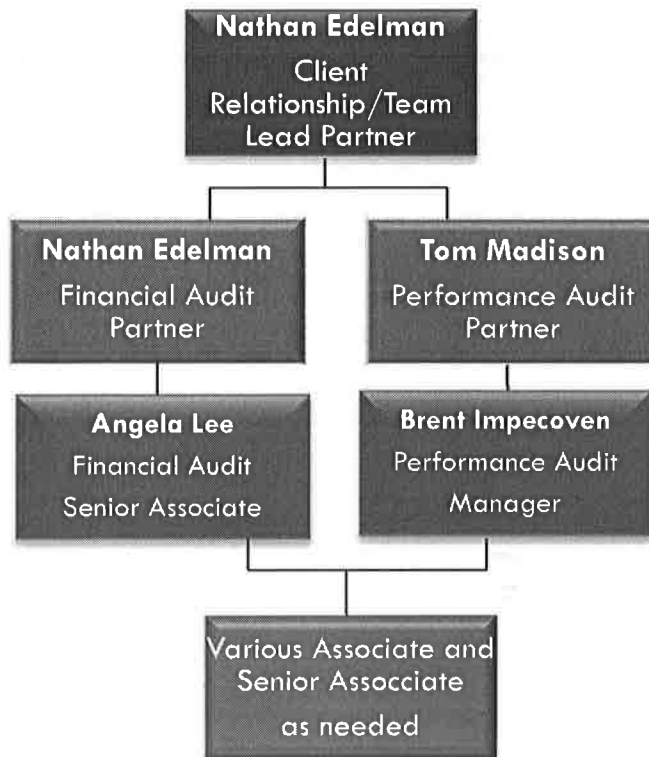
Senior Associate and Staff Members

All of our seniors have more than two years of experience in public accounting, with several who specialize in the construction industry and the school district industry. We require Yellow Book compliance for all members of our assurance staff. This means no fewer than 24 hours of specific Government Education courses each two-years. Most members of our audit staff significantly exceed that amount.

Once an agreeable timeline has been determined, we will assign a few of our talented seniors and staff to your engagement.

Team Qualifications

We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the construction and school district industry.



Staff Continuity

To help ensure a strong business relationship and to minimize disruptions, we keep staffing changes to a minimum. Compared to the national average, Eide Bailly experiences a high retention rate which translates to providing our clients with consistent service teams. We will strive for continuity of staff for your engagement. With this continuity comes quality, as team members' knowledge of your organization grows from year to year.



Should the need arise to change any of the key engagement personnel, we will notify you in writing and provide the qualifications of the proposed replacement. Upon your approval, new engagement personnel will join your service team.

Team Qualifications

SERVICE TEAM

We know the importance of a strong business relationship, so we keep staffing changes to a minimum year-to-year. Eide Bailly has a high retention rate, allowing us to provide stability. Your service team has extensive experience in the construction and school district industries. You'll find profiles for each team member in Appendix A. The following information will provide an overview of your service team:



Nathaniel Edelman, CPA

Partner, Financial Audit

Nathan will serve as the financial audit engagement partner and the client relationship partner. He will be on-site to facilitate the audit. Nathan will be responsible for directing the activities of the team, coordinating all services, and ensuring timely delivery of quality services. He has more than ten years in school district audits in the San Francisco/Oakland Bay Area. He is intimately familiar with

the Oakland Unified School District and has a record of proven success helping the District complete audits with fair and effective results.



Thomas Madison, CFA, CPA

Partner, Performance Audit

Tom will serve as the performance audit partner and will be responsible for directing the activities of the team, coordinating all services, and ensuring the timely delivery of quality services. He has more than 18 years in field of public accounting with experience in the construction industry throughout his career.



Brent Impecoven, CPA

Manager, Performance Audit

Brent will serve as the performance audit Manager and will be responsible for directing the activities of the team, coordinating all services, and ensuring the timely delivery of quality services. He has more than 8 years in public accounting with experience in the construction industry throughout his career.



Angela Lee

Senior Audit Associate

Angela will serve as the financial audit in-charge and will be responsible for ensuring timely delivery of quality services. She will be on site to facilitate fieldwork between District staff and the audit team. Angela has multiple years of experience working with Oakland Unified Staff.

Affirmative Action

Eide Bailly adheres to the principles of Affirmative Action through our daily human resources and business operations practices. All members of Eide Bailly operate within the Affirmative Action guidelines and value its objectives.

Team Qualifications

CONTINUING EDUCATION

Because we are committed to the industries we serve, we provide our professionals with specific, ongoing training. This investment ensures our people stay current on the unique challenges and opportunities within the industry sectors so that they are in the best position to help clients address these issues.

Firmwide, our continuing professional education program requires all professional staff obtain education that exceeds the requirements of the American Institute of Certified Public Accountants (AICPA) and where applicable, *Government Auditing Standards*. The firm places a strong emphasis on lifelong learning and recognizes the importance of developing our professionals to best serve our clients. This past year we provided our client service professionals with an average of 46 hours of professional education, compared with the 40-hour accounting industry requirement. In addition, we regularly share information among the audit teams in different offices to ensure we are providing clients with the latest thinking and best possible solutions. Our governmental professionals obtain continuing professional education through the following means:

- Government-specific seminars sponsored by the AICPA and Government Audit Quality Center (GAQC).
- Seminars sponsored by the Government Finance Officers Association (GFOA).
- Involvement with local chapters of the GFOA (we teach and attend GFOA conferences, regularly).
- Eide Bailly seminars specific to governmental issues which are taught by our experienced managers and partners.

By expanding our knowledge of issues important to government organizations, we are able to provide more in-depth, knowledgeable solutions to our clients. Additional communications, webinars and training are provided throughout the year on a variety of topics important to state and local governments.



CPE HOURS

Eide Bailly FY 2019

INDUSTRY STANDARD: 40

STAY CURRENT ON WHAT IMPACTS YOU



Additional Resources

LET US HELP YOU WITH MORE.

We pride ourselves on being leaders in the government industry, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're business advisors who want to help guide the strategy and operations of your organization, and we'll make sure you feel connected and understand the process. Our professionals work closely together so you receive valuable service from people who understand your needs and know your business.

When you work with us, you'll have access to the knowledge and talents of 2,500 professionals across our firm. This includes specialized tax knowledge, a full spectrum of audit/assurance services and our many specialized services, such as:

Cybersecurity

Our professionals have deep IT backgrounds, specializing in a broad range of security services allowing us to tailor solutions to your needs. We work with every level of your organization—your boards and executives, technical IT admins and general users—to provide insight and guidance so you can feel confident your data is protected.

Internal Audit

Our internal audit professionals bring strong process, procedure, internal control and risk management experience to your organization. We bridge these skills with specialized insight related to risk and compliance and specific industry knowledge to help your organization reduce risk and improve operational efficiency.

Forensic Accounting

We have seasoned professional with years of relevant investigative experience. We have served several hundred clients, including numerous governmental entities, with investigative needs.


Our forensic accountants are experienced in assisting with internal, civil, criminal and insurance recovery investigations related to allegations of theft, fraud and accounting irregularities. The forensic methodologies and technology used by our team of specialists help get to the facts of these situations and are court proven. We understand the urgency of resolving these types of matters and take pride in delivering a quality work product in an efficient and timely matter.

Cost Proposal

EXPECTED HOURS AND FEES

Our fees are based on the complexity of the issue and the experience level of the staff members necessary to address it. If you request additional services, we will obtain your agreement on fees before commencing work, so there are no surprises or hidden fees.

We propose the following fees based on our understanding of the scope of work and the level of involvement of Oakland Unified School District General Obligation Bond Program's staff:

 Engagement Services and Fees		
Professional Services	Performance Audit	Financial/Compliance Audit
Fiscal Year 2018-19	\$195,000	\$155,000
Fiscal Year 2019-20	\$145,000	\$115,000
Fiscal Year 2021-22	\$145,000	\$115,000
Total Fees	\$485,000	\$385,000

Performance Audit Scope

The scope of services requested to include an overall evaluation of the bond program, a list of bond areas needing improvements and recommendations for improvements. The report shall contain the current management structure's evaluation and analysis of the following major areas incorporated in the Performance Audit:

1. Design and Construction Cost Budgets
2. Design and Construction Schedules and Timelines
3. Financial Reporting and Internal Controls
4. Payment Procedures
5. Change order and claim procedures
6. Bidding and procurement procedures
7. Best Practices for Procurement of Materials and Services
8. Conflict of Interest; and
9. Compliance with State Laws and Guidelines and Board Policy

Cost Proposal

Financial audit scope

Examine expenditures of the 2012 Measure J General Obligation Bond Fund and Measure B Series 2016A covering at least 70% of the total Fund expenditures for the year ended June 30, 2019. The purpose is to verify if the use of the funds is within the scope of the published election materials specifying the intended use of bond proceeds by:

Selecting 70% of the vendors with current year expenditures of \$250,000 and over 30% of the vendors with current year expenditures under \$250,000 and examine compliance with published election materials specifying the intended use of bond proceeds, and District policies, including project initiation, purchase order issuance, contracts and bids, payments, project tracking and retention/release procedures.

We understand that the audit will rely largely on paper files and documents supported by Facilities management staff and Facilities Accountants in addition to District Central Accounting interviews.

Out-of-Pocket Fees

INCLUSIVE

The professional fees listed above are inclusive of all out-of-pocket expenses and you will not be billed for expenses such as travel time, mileage, and meals.

Billing Policy Regarding Telephone Inquiries

We know clients appreciate access to all of their service team members. We embrace this opportunity for constant communication and will ensure our team members are available when you have questions and issues. This service is included in the scope of the engagement. If a particular issue surfaces that falls outside the scope of this engagement, we'll bring it to your attention and obtain approval before proceeding.



Why Choose Eide Bailly

WE WANT TO WORK WITH YOU.

To us, work isn't just work; we see it as a chance to help you solve problems, achieve goals and pursue passions. After thoughtfully reviewing your needs and taking the time to understand your business, we feel we're the best fit for this opportunity.

We can connect you with the knowledge, resources and solutions that help bring confidence to your business decisions. We want to work with you!

If you have questions or would like additional information, don't hesitate to contact us. We want to make sure you have everything you need to make your decision.



Nathaniel Edelman, CPA

Partner

650.223.6115

nedelman@eidebailly.com



Thomas Madison, CFA, CPA

Partner

605.367.6726

tmadison@eidebailly.com

What inspires you, inspires us.

We're driven to help clients take on the now and the next with inspired ideas, solutions and results. We look forward to working with you.

Appendix A — Team Profiles

TEAM PROFILES

NATHANIEL EDELMAN, CPA

Partner

650.223.6115 | nedelman@eidebailly.com

Nathan specializes in audits of local governments. Over the last ten years, he has provided audits and accounting services to a range of organizations, focusing primarily on transportation agencies, municipalities, school districts and special districts in the San Francisco Bay Area and throughout Northern California. He has performed federal single audits of entities receiving over one-hundred million dollars in federal grants. His single audit experience includes audits of programs from the United States Department of Transportation, United States Department of Education and a variety of other federal agencies.



Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants, Board Member, Peninsula/Silicon Valley Chapter

Advanced Single Audit Certificate from the AICPA's Governmental Audit Quality Center

Association of Government Accountants, Silicon Valley Chapter

GFOA CAFR Special Review Committee

Designation/Licensures
Certified Public Accountant

Education
Bachelor of Arts, Business Management Economics - University of California, Santa Cruz

THOMAS H. MADISON, CPA, CFA

Partner

INSPIRATION: Client service is providing practical, thorough, thoughtful solutions for my clients in a timely and responsive manner. The most rewarding part of my job is helping my clients succeed.

605.367.6726 | tmadison@eidebailly.com

Thomas has public accounting experience since 2001, providing services to industries including trust companies, nonprofit, foundations, construction, manufacturing, aggregates, and wholesale and retail companies. He provides public accounting services to more than 120 organizations.

Thomas helps the people he works with better understand their circumstances and organization. He often makes matters that are invisible to the decision makers visible, so they can make better decisions.

When Thomas is not counting beans, he is helping his dad and brother grow beans (and corn, oats and alfalfa) on the family farm where he grew up, so their dairy cows can have a balanced and nutritious diet. He also enjoys traveling with his family -- preferably to warm, tropical destinations.

Client Work

Advised a client to change the proposed structure of an acquisition, saving millions of dollars in taxes.

Assisted a client to better understand their costing so they could make better pricing decisions and move their business from break even to profitability.



Memberships

American Institute of Certified Public Accountants

South Dakota Society of Certified Public Accountants

Chartered Financial Analyst Institute

Designation/Licensures

Certified Public Accountant

Chartered Financial Analyst
Charterholder

Education

Bachelor of Science, Accounting and Finance – Carlson School of Management, University of Minnesota, Minneapolis

Community

Ronald McDonald House
Charities of South Dakota, Past President

Lamb Catholic Radio in Eastern South Dakota, Treasurer

BRENT IMPECOVEN, CPA

Manager

INSPIRATION: I'm inspired by the opportunity to build relationships with my clients. I enjoy getting to know their businesses and the challenges they face. My goal is always to provide whatever insights and assistance I can to help my clients succeed.

605.977.2757 | bimpecoven@eidebailly.com

Brent joined Eide Bailly in 2012 and has provided assurance services to clients in a variety of industries, including construction, aggregates, manufacturing, and healthcare. His primary focus includes conducting audits, reviews, and compilations for construction contractors and aggregates producers, as well as performing audits of employee benefit plans.

Brent values every client interaction. He works hard to ensure his clients know they can rely on the help and advice he is qualified to provide for them, and he is committed to their success. Clients can expect timely responses that respect their schedules and deadlines, along with collaboration to ensure positive results.

When he's not at work, Brent enjoys spending time outdoors, golfing or spending time at the lake with his family.

Client Work

Brent has experience working with construction contractors in a variety of disciplines, including general contracting; heavy-highway contracting; site preparation; electrical contracting; plumbing and heating and agricultural contracting. He also provides services to clients in a variety of other industries, including aggregates production, manufacturing and healthcare.



Memberships

American Institute of Certified Public Accountants

South Dakota CPA Society

Construction Financial Management Association, Siouxland Chapter

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Business Administration, Accounting - University of South Dakota, Vermillion

Master of Professional Accountancy - University of South Dakota, Vermillion

ANGELA LEE

Senior Associate

INSPIRATION: Angela finds great fulfillment in leading our clients through their challenges. Her goal is to provide exceptional client service by offering proactive solutions, processes and resources.

650.223.6129 | angela.lee@eidebailly.com



Angela specializes in audits of local governments. Over the last two years, she has provided audits and accounting services to a range of organizations, focusing primarily on transportation agencies, school districts and special districts in the San Francisco Bay Area.

When you work with Angela, you can expect her to take the time to understand and analyze how your accounting processes and structures to perform the audit.

Outside of work, Angela enjoys spending time outdoors, hiking and volunteering in the community.

Client Work

Assisted in the major steps of the audit process such as planning, execution and reporting.

Prepares detailed internal control narratives and other auditing memorandums.

Performed federal single audits of entities receiving over one-hundred million dollars in federal grants includes audits of programs from the United States Department of Transportation and United States Department of Education.

Memberships

California Society of Certified Public Accountants, Member

Education

Bachelor of Science, Business Administration, Accounting concentration – San Francisco State University

Appendix B — Peer Review

PEER REVIEW



Report on the Firm's System of Quality Control

December 28, 2017

To the Partners of Eide Bailly LLP and the
National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Eide Bailly LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Eide Bailly LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Eide Bailly LLP has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads 'Cherry Bekaert LLP'.

Cherry Bekaert LLP

OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BOND PROGRAM

Appendix C – Required Attachments

with this requirement may cause a proposal rejection. Additional sheets may be attached, if necessary.

SECTION A - GENERAL INFORMATION

1. Firm name, address and point of contact for this proposal:

Eide Bailly LLP
Nathan Edelman, CPA, Partner
3130 Crow Canyon Pl, Suite 300
San Ramon, CA 94583-1386

2. Telephone: 650-223-6115 Facsimile: 925-884-2480

Firm Web Address: eidebailly.com

Point of Contact Email: nedelman@eidebailly.com

3. Type of firm: (check one)

☐ Individual ☒ Partnership ☐ Corporation

4. Names and titles of all principals/officers/partners of the firm:

Name	Title	Phone
	Our firm consists of over 300 partners whose names and titles are available at:	
	https://www.eidebailly/about-us/people	

5. Identify the Audit manager, field supervisors and other staff who will work on the Audit

Name	Title	Phone
Nathan Edelman	Partner, Financial Audit	650-223-6115
Thomas Madison	Partner, Performance Audit	605-367-6726
Brent Impeccoven	Manager	925-480-4000
Angela Lee	Senior Audit Associate	650-462-0400

Attach the resume of all staff identified in (5) Please refer to page 27

Appendix C – Required Attachments

6. Please list any applicable certifications, licenses and associated numbers for each staff member identified in (5) above. Please refer to page 26

7. How many years of experience do your firm have auditing bond programs for school districts in California? More than 50 years

8. What School Districts has the firm provided bond fund audits for in the last five years; provide name and telephone number of official at each school district.

A listing of school districts served from our Palo Alto office within the last five years, and reference contact information are found on page 18 of our proposal.

9. Please attach a short history of the firm including whether it is local, national, or international as well as approximate number of employees. Also provide the number of firm offices and locations. Please see page 4.

SECTION B - LEGAL

10. Have you or any of your principals been in litigation or arbitration of any kind on a questions or questions relating to Auditing services involving a school district during the prior five (5) years? No

11. If yes, provide the name of the school district and briefly detail the dispute:

12. Have you ever had a contract terminated for convenience or default in the prior five years? If yes, provide details including the name of the other party: No

Appendix C – Required Attachments

13. Is your firm, owners, and/or principal, partner or manager involved in or is your firm aware of any pending litigation regarding professional misconduct, bad faith, discrimination, or sexual harassment?

No (Yes or **No**)

If yes, provide details:

Is your firm, owners, and/or principals or partners involved in or aware of any pending disciplinary action and/or investigation conducted by any local, state or federal agency? (Yes or **No**)

If yes, provide details:

SECTION C - REFERENCES

List at least three school districts for which you have provided annual bond fund auditing services. Include the names, addresses, and telephone numbers of the persons who can be contacted. Information obtained through the references will be evaluated by the District.

Name	Address	Phone
Please see page 18		

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 29 day of August 2019
Oakland /Alameda County (city/county),

Appendix C — Required Attachments

State Of California

Eide Bailly LLP
Company Name

Partner
Title

Nathaniel Edelman
Signature

Nathaniel Edelman, CPA
Print Name

Appendix C — Required Attachments

OAKLAND UNIFIED SCHOOL DISTRICT Audit Services RFP Fee Proposal Form Attachment II

Please note that the audit will rely largely on paper files and documents supported by Facilities management staff and Facilities Accountants in addition to District Central Accounting interviews.

Please indicate not to exceed amount for Fiscal Years: Please see page 24

\$350,000 (18-19)

\$260,000 (19-20)

\$260,000 (20-21)

For work outside the scope of services:

Hourly rate for partner:	\$	350
Hourly rate for manager:	\$	250
Hourly rate for senior associate:	\$	175
Hourly rate for associates:	\$	125

OAKLAND UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BOND PROGRAM

Appendix C — Required Attachments

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND
VOLUNTARY EXCLUSION

I am aware of and hereby certify that neither Eide Bailly LLP nor

Name of Bidder Nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. I further agree that I will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. Where the bidder/offer or/contractor or any lower participant is unable to certify to this statement, it shall attach an explanation to this solicitation proposal.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal of the above named bidder on the 29 day of August 2019 for the purposes of submission of this bid.

By Nathaniel Edelman Signature

Nathaniel Edelman

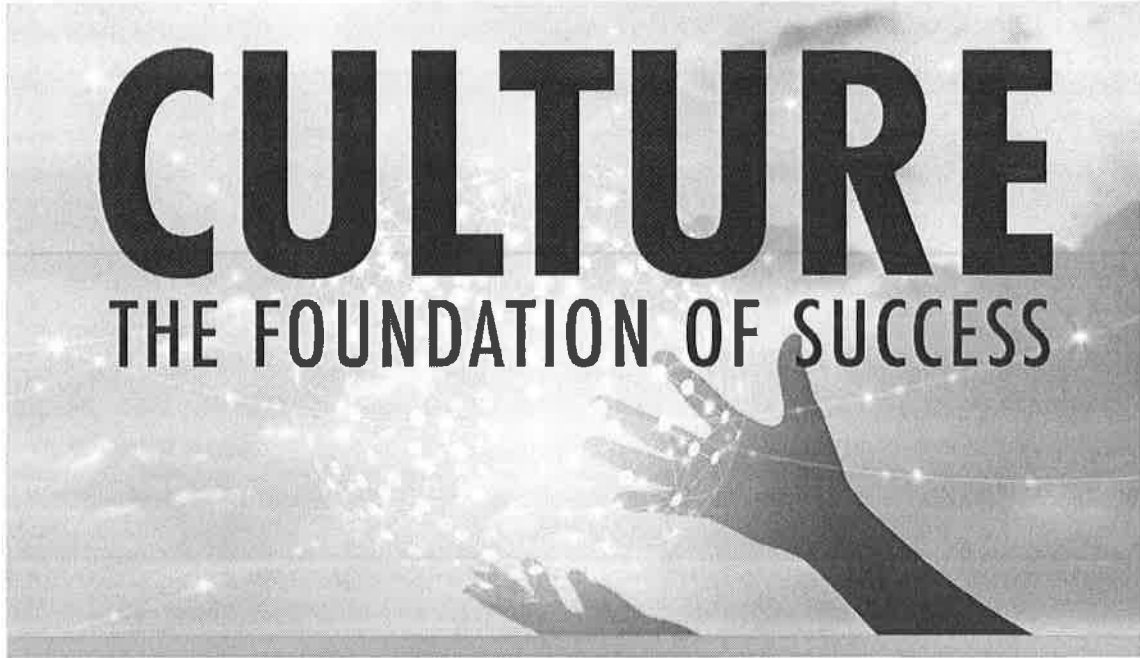
Typed or Printed Name

Partner of Eide Bailly LLP

Title

August 29, 2019

Date



Caring for our external and internal clients with a passion to go the extra mile.

Respecting our peers and their individual contributions.

Conducting ourselves with the highest level of integrity at all times.

Trusting and supporting one another.

Being accountable for the overall success of the Firm,
not just individual or office success.

Stretching ourselves to be innovative and creative, while managing the related risks.

Recognizing the importance of maintaining a balance between work and home life.

Promoting positive working relationships.

And, most of all, enjoying our jobs ... and having fun!



What inspires you, inspires us.
eidebailly.com



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/10/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER 1-847-385-6800

Edgewood Partners Insurance Center
Lemme, a division of EPIC
111 West Campbell
4th Floor
Arlington Heights, IL 60005

INSURED
Eide Bailly LLP

4310 17th Avenue S.

Fargo, ND 58103

CONTACT NAME: Kyle Daker

PHONE (A/C, No, Ext): 847-385-6800

FAX (A/C, No):

E-MAIL: PSGCerts@lemme.com

ADDRESS: INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: SCOTTSDALE INS CO and various insurers

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

COVERAGES

CERTIFICATE NUMBER: 57544015

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$
	OTHER:						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A						E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			HWS0000078	05/01/19	05/01/20	Each Claim 5,000,000 Aggregate 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

Oakland Unified School District

1000 Broadway
Suite 440
Oakland, CA 94606

USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ACORD 25 (2016/03)

Patty.Baxendale@lemme.com_LEM
57544015

The ACORD name and logo are registered marks of ACORD



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/10/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Dawson Insurance Agency 721 1st Avenue North Fargo ND 58107	CONTACT NAME: Holly Fitch	FAX (A/C, No): 701-232-4442	
	PHONE (A/C, No, Ext): 701-237-3311	E-MAIL ADDRESS: holly@dawsonins.com	
INSURED Eide Bailly LLP PO Box 2545 Fargo ND 58103	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Continental Casualty Company		20443
	INSURER B: Phoenix Insurance Company		25623
	INSURER C: Travelers Property Casualty Co of Amer		25674
	INSURER D: Travelers Indemnity Co of America		25666
	INSURER E:		
INSURER F:			

COVERAGES **CERTIFICATE NUMBER:** 1369812479 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			6307206X385	4/29/2019	4/29/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			BA8M6636071943G	4/29/2019	4/29/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			CUP2J961189	4/29/2019	4/29/2020	EACH OCCURRENCE \$ 15,000,000 AGGREGATE \$ 15,000,000 \$
D	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	UB9L19981A	4/29/2019	4/29/2020	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Employee Theft and Dishonesty			287424652	5/1/2019	5/1/2020	Limit Ded \$5,000,000 \$25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Workers Compensation applies to: AR, AL, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, NE, NH, NJ, NM, NV, NY, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WI & WV
Employers Liability applies to above states and ND, OH, WA, WY
Zero Deductible for Auto Liability coverage. Hired Auto Physical Damage Deductible Comp/Coll Ded is \$500/\$500
Additional Insured status on a primary and non-contributory basis and waiver of subrogation apply to Oakland Unified School District on the general liability.
Waiver of subrogation applies on the Workers Compensation policy when required by written contract.

CERTIFICATE HOLDER Oakland Unified School District 1000 Broadway, Suite #440 Oakland CA 94606	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| <ul style="list-style-type: none"> A. BROAD FORM NAMED INSURED B. BLANKET ADDITIONAL INSURED C. EMPLOYEE HIRED AUTO D. EMPLOYEES AS INSURED E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS G. WAIVER OF DEDUCTIBLE – GLASS | <ul style="list-style-type: none"> H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT J. PERSONAL PROPERTY K. AIRBAGS L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS M. BLANKET WAIVER OF SUBROGATION N. UNINTENTIONAL ERRORS OR OMISSIONS |
|---|---|

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which

this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph b. in B.5., **Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your

COMMERCIAL AUTO

permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph A.2.a.(2), of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., **Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., **Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., **Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph D., **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph A.4.b., **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph A.4., **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Personal Property

We will pay up to \$400 for "loss" to wearing apparel and other personal property which is:

- (1) Owned by an "insured"; and

- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph B.3., **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- The airbags are not covered under any warranty; and
- The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph A.2.a., of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- You (if you are an individual);
- A partner (if you are a partnership);
- A member (if you are a limited liability company);
- An executive officer, director or insurance manager (if you are a corporation or other organization); or
- Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

COMMERCIAL AUTO

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**BLANKET ADDITIONAL INSURED
(CONTRACTORS)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
- c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
 - i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. – DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR SERVICE INDUSTRIES

This endorsement modifies Insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|--|--|
| <ul style="list-style-type: none"> A. Broadened Named Insured B. Blanket Additional Insured – Broad Form Vendors C. Damage To Premises Rented To You <ul style="list-style-type: none"> • Perils of fire, explosion, lightning, smoke, water • Limit increased to \$300,000 D. Blanket Waiver Of Subrogation E. Blanket Additional Insured – Owners, Managers Or Lessors Of Premises F. Blanket Additional Insured – Lessors Of Leased Equipment G. Incidental Medical Malpractice H. Personal Injury – Assumed By Contract | <ul style="list-style-type: none"> I. Amended Bodily Injury Definition J. Bodily Injury To Co-Employees And Co-Volunteer Workers K. Aircraft Chartered With Crew L. Non-Owned Watercraft – Increased From 25 Feet To 50 Feet M. Increased Supplementary Payments <ul style="list-style-type: none"> • Cost of bail bonds increased to \$2,500 • Loss of earnings increased to \$500 per day N. Knowledge And Notice Of Occurrence Or Offense O. Unintentional Omission P. Reasonable Force – Bodily Injury Or Property Damage |
|--|--|

PROVISIONS

A. BROADENED NAMED INSURED

1. The following is added to **SECTION II – WHO IS AN INSURED**:

Any organization, other than a partnership or joint venture, over which you maintain ownership or majority interest on the effective date of the policy qualifies as a Named Insured. However, coverage for any such organization will cease as of the date during the policy period that you no longer maintain ownership of, or majority interest in, such organization.

2. The following replaces Paragraph 4.a. of **SECTION II – WHO IS AN INSURED**:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, unless reported in writing to us within 180 days.

B. BLANKET ADDITIONAL INSURED – BROAD FORM VENDORS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Is caused by an "occurrence" that takes place after you have signed and executed that contract or agreement; and
- b. Arises out of "your products" which are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of Insurance provided to such vendor will be the limits which you agreed to pro-

COMMERCIAL GENERAL LIABILITY

vide in the written contract or agreement, or the limits shown in the Declarations of this Coverage Part, whichever are less.

- b. The insurance provided to such vendor does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (2) Any express warranty unauthorized by you;
- (3) Any physical or chemical change in "your products" made intentionally by such vendor;
- (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (5) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";
- (6) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or
- (7) "Your products" which, after distribution or sale by you, have been labeled or re-labeled or used as a container, part or ingredient of any other thing or substance by or for such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

C. DAMAGE TO PREMISES RENTED TO YOU

1. The following replaces the last paragraph of Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water.

A separate limit of insurance applies to such damage to premises as described in Paragraph 6. of Section III – Limits Of Insurance.

This insurance does not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Rupture, bursting, or operation of pressure relief devices;
- b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water;
- c. Explosion of steam boilers, steam pipes, steam engines, or steam turbines.

2. The following replaces Paragraph 6. of SECTION III – LIMITS OF INSURANCE:

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises while rented to you, or temporarily occupied by you with permission of the owner, caused by fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water. The Damage To Premises Rented To You Limit will apply to all damage proximately caused by the same "occurrence", whether such damage results from fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; water; or any combination of any of these.

The Damage To Premises Rented To You Limit will be the higher of:

- a. \$300,000; or
- b. The amount shown on the Declarations of this Coverage Part for Damage To Premises Rented To You Limit.

3. The following replaces Paragraph a. of the definition of "insured contract" in the **DEFINITIONS** Section:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- (1) Fire;
- (2) Explosion;
- (3) Lightning;
- (4) Smoke resulting from such fire, explosion, or lightning; or
- (5) Water.

is not an "insured contract";

4. The following replaces Paragraph 4.b.(1)(b) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

(b) That is insurance for premises rented to you, or temporarily occupied by you with the permission of the owner;

D. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of premises owned or occupied by or rented or loaned to you; ongoing operations performed by you or on your behalf, done under a contract with that person or organization; "your work"; or "your products". We waive this right where you have agreed to do so as part of a written contract, executed by you prior to loss.

E. BLANKET ADDITIONAL INSURED – OWNERS, MANAGERS OR LESSORS OF PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to name as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

- a. Is "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after you have signed and executed that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- a. The limits of insurance provided to such premises owner, manager or lessor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations of this Coverage Part, whichever are less.
- b. The insurance provided to such premises owner, manager or lessor does not apply to:
 - (1) "Bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.
- c. The insurance provided to such premises owner, manager or lessor is excess over any valid and collectible other insurance available to such premises owner, manager or lessor, unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.

F. BLANKET ADDITIONAL INSURED – LESSORS OF LEASED EQUIPMENT

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

- a. Is "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after you have

COMMERCIAL GENERAL LIABILITY

signed and executed that contract or agreement; and

- b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use by you of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations of this Coverage Part, whichever are less.
- b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.
- c. The insurance provided to such equipment lessor is excess over any valid and collectible other insurance available to such equipment lessor, unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.

G. INCIDENTAL MEDICAL MALPRACTICE

1. The following is added to the definition of "occurrence" in the **DEFINITIONS** Section:

Unless you are in the business or occupation of providing professional health care services, "occurrence" also means an act or omission committed in providing or failing to provide "Incidental medical services" to a person.

2. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages;
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances;
- c. First aid; or
- d. "Good Samaritan services".

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

3. The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to any "bodily injury" arising out of any providing or failing to provide "incidental medical services" by any of your "employees", other than an employed doctor. Any such "employees" providing or failing to provide "Incidental medical services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

4. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to Paragraph 5. of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in the providing or failing to provide "incidental medical services" to any one person will be considered one "occurrence".

6. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "Incidental medical services" to any person to the extent not subject to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**.

H. PERSONAL INJURY – ASSUMED BY CONTRACT

1. The following replaces Exclusion e., **Contractual Liability**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

e. Contractual Liability

"Personal injury" or "advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to:

- (1) Liability for damages that the Insured would have in the absence of the contract or agreement; or
- (2) Liability for damages because of "personal injury" assumed in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys fees and necessary litigation expenses incurred by or for a party other than an Insured will be deemed to be damages because of "personal injury", provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. The following replaces the third sentence of Paragraph 2. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**:

Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability or Paragraph 2.e. of Section I – Coverage B – Personal and Advertising Injury Liability, such payments will not be deemed to be damages because of "bodily injury", "property damage" or "personal injury", and will not reduce the limits of insurance.

3. The following replaces Paragraph 2.d. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**:

- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the Insured and the interests of the indemnitee;

4. The following replaces the first subparagraph of Paragraph f. of the definition of "insured contract" in the **DEFINITIONS** Section:

- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury," "property damage" or "personal injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

I. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the **DEFINITIONS** Section:

"Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

J. BODILY INJURY TO CO-EMPLOYEES AND CO-VOLUNTEER WORKERS

The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Paragraph (1)(a) above does not apply to "bodily injury" to a co-"employee" in the course of the co-"employee's" employment by you or performing duties related to the conduct of your business, or to "bodily injury" to your other "volunteer workers" while performing duties related to the conduct of your business.

K. AIRCRAFT CHARTERED WITH CREW

The following is added to Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

This exclusion does not apply to an aircraft that is:

COMMERCIAL GENERAL LIABILITY

- (a) Chartered with crew to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

L. NON-OWNED WATERCRAFT

1. The following replaces Paragraph (2) of Exclusion g., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

- (2) A watercraft you do not own that is:
 - (a) Fifty feet long or less; and
 - (b) Not being used to carry any person or property for a charge.

2. The following is added to Paragraph 2. of SECTION II – WHO IS AN INSURED:

Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:

- (1) Fifty feet long or less; and
- (2) Not being used to carry any person or property for a charge.

M. INCREASED SUPPLEMENTARY PAYMENTS

1. The following replaces Paragraph 1.b. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B of SECTION I – COVERAGES:

- b. Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. The following replaces Paragraph 1.d. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B of SECTION I – COVERAGES:

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

N. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2., Duties In The Event of Occurrence, Offense, Claim or Suit, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

- e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your trustees who is an individual (if you are a trust), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, limited liability company or trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.

- (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:

- (a) Any individual who is:

- (i) A partner or member of any partnership or joint venture;
- (ii) A manager of any limited liability company;
- (iii) A trustee of any trust; or
- (iv) An executive officer or director of any other organization;

that is your partner, joint venture member, manager or trustee; or

- (b) Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.

- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described

COMMERCIAL GENERAL LIABILITY

in Paragraphs e.(1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

O. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., **Representations**, of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

The unintentional omission of, or unintentional error in, any information provided by you which we

relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

P. REASONABLE FORCE - BODILY INJURY OR PROPERTY DAMAGE

The following replaces Exclusion a., **Expected Or Intended Injury**, in Paragraph 2. of **SECTION I - COVERAGES - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

a. Expected or Intended Injury or Damage

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect any person or property.



DIVISION OF FACILITIES PLANNING & MANAGEMENT ROUTING FORM

Project Information

Project Name	Facilities Planning and Management –Performance & Financial Bond Audit Project	Site	918
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Basic Directions

Services cannot be provided until the contract is awarded by the Board or is entered by the Superintendent pursuant to authority delegated by the Board.

Attachment Checklist	<input checked="" type="checkbox"/> Proof of general liability insurance, including certificates and endorsements, if contract is over \$15,000 <input checked="" type="checkbox"/> Workers compensation insurance certification, unless vendor is a sole provider
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Contractor Information

Contractor Name	Eide Bailly, LLP	Agency's Contact		Nathan Edelman nedelman@eidebailly.com				
OUSD Vendor ID #	New	Title		CPA, Pa				
Street Address	3130 Crow Canyon Pl Ste. 300	City	San Ramon		State	CA	Zip	94583
Telephone	925-884-2480	Policy Expires						
Contractor History	Previously been an OUSD contractor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			Worked as an OUSD employee? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
OUSD Project #	00918							

Term of Original/Amended Contract

Date Work Will Begin (i.e., effective date of contract)	11-14-2019	Date Work Will End By (not more than 5 years from start date; for construction contracts, enter planned completion date)	12-30-2020
		New Date of Contract End (If Any)	

Compensation/Revised Compensation

If New Contract, Total Contract Price (Lump Sum)		If New Contract, Total Contract Price (Not To Exceed)	\$245,000.00
Pay Rate Per Hour (If Hourly)	\$	If Amendment, Change in Price	\$
Other Expenses		Requisition Number	

Budget Information

If you are planning to multi-fund a contract using LEP funds, please contact the State and Federal Office before completing requisition.

Resource #	Funding Source	Org Key	Object Code	Amount
9650/0000	Fund 21, Measure J	210-9650-0-0000-8200-5825-918-9180-9905-9999-99999	5825	\$245,000.00

Approval and Routing (in order of approval steps)

Services cannot be provided before the contract is fully approved and a Purchase Order is issued. Signing this document affirms that to your knowledge services were not provided before a PO was issued.

	Division Head	Phone	510-535-7038	Fax	510-535-7082
1.	Director, Facilities Planning and Management				
	Signature		Date Approved	8/24/10	
2.	General Counsel, Department of Facilities Planning and Management				
	Signature		Date Approved		
3.	Deputy Chief, Facilities Planning and Management				
	Signature		Date Approved	8/24/10	
4.	Chief Financial Officer				
	Signature		Date Approved		
5.	President, Board of Education				
	Signature		Date Approved		