



May 25, 2016

Janelle Ruley
Young, Minney & Corr, LLP

Re: Agreed-Upon Procedures ó Credit Card Procedures of El Camino Real Charter High School

Dear Ms. Ruley:

This letter will confirm our discussions and the engagement of Nigro & Nigro, PC to assist you (Counsel) in the representation in the above-mentioned matter. As such, we have been retained by you, to whom all reports, communications, and work product will be submitted. We understand that the work performed by us will be confidential, constituting a portion of your work product and is to be regarded by us as being covered by the attorney-client and workóproduct privileges.

We understand that you may also wish to engage us to assist you by providing expert witness services concerning business methods or trade practices, accounting, or finance in this or other matters. Should you wish to so engage Nigro & Nigro, your decision will be made in light of the nature of the information previously disclosed to us. In such case, we understand that any work performed pursuant to such expert witness engagement, as well as information disclosed to us pursuant to the preceding paragraph, will be subject to the rules of discovery as appropriate for expert witnesses.

We will apply the agreed-upon procedures listed below solely to assist you with respect to the business practices of El Camino Real Charter High School (ECRCHS). Our engagement to apply agreed-upon procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Our engagement will be designed to perform the following agreed-upon procedures agreed to between you and the other specified users:

- ❖ Review of credit card transactions for a specified period of time and specific users
- ❖ Identify internal control weaknesses in current credit card procedures
- ❖ Assist in developing best practices and policies regarding credit card procedures

At the end of our engagement, we will present the results of applying the agreed-upon procedures in the form of our findings in a report. Our accountantsóreport should be used only for the intent of the original users of this report, and will include a statement indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. As such, using this report for anything other than the original intent of the agreed-upon procedures could mislead the readers. You must notify us immediately if the original users of the report change.

All workpapers or other documents used by us during the course of this engagement will be maintained in segregated files. It is not our practice to retain superseded workpapers, notes, or data files that have been updated as we perform our engagement. At the close of this engagement, we will require your instruction for the disposition of documents that we have accumulated.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | CJ Gaunder Singh, CPA | Kevin Brejnak, CPA, CFE

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James Whittington is the engagement partner for the services specified in this letter. His responsibilities include supervising Nigro & Nigro's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the report.

By your signature below, you acknowledge and understand that our engagement is limited in scope and will be confined to our agreed-upon procedures. Because these procedures do not constitute an examination, we will not express an opinion on these procedures, nor the sufficiency of these procedures for your intended purpose. In addition, as we will not audit or review the financial statements of ECRCHS, we will not express an opinion or any other form of assurance on the financial statements.

Our engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations that may exist. However, we will inform you of any such matters that come to our attention.

By your signature below, you acknowledge and understand that Nigro & Nigro is not responsible for the implementing internal controls or for determining the appropriateness of that criteria for your specific purpose. In addition, ECRCHS is responsible for management decisions and functions. That responsibility includes designating qualified individuals with the necessary expertise to be responsible and accountable for overseeing all the services we perform as part of this engagement, as well as evaluating the adequacy and results of the services performed. ECRCHS is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Our fees for this work will be at our regular hourly rates for the individuals involved, plus out-of-pocket incidental expenses, including all travel and mileage. Hourly rates are as follows:

- ❖ Partner/Certified Fraud Examiner - \$200
- ❖ Manager - \$140
- ❖ Supervisor - \$120
- ❖ Senior Accountant - \$110
- ❖ Staff Accountant - \$100

Mileage will be billed at the standard IRS rates (currently 54 cents per mile). Should our deposition be required in this matter, your account will be credited for any payments received from the opposing party. Monthly progress billings will be rendered as our work progresses. Invoices are payable upon receipt. Should the account be delinquent for more than 30 days, we reserve the right to stop work until the account balance is brought current or we will withdraw from the engagement. It is our understanding that obligation to pay our fees is the direct responsibility of ECRCHS. Young, Minney & Corr agrees to make every effort to assist us in collecting our fees from ECRCHS. By your signatures below, all parties acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of ECRCHS's failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable for any damages that occur as a result of our ceasing to render services.

It is our policy to keep records related to this engagement for seven years. However, Nigro & Nigro does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the seven-year period Nigro & Nigro shall be free to destroy our records related to this engagement.

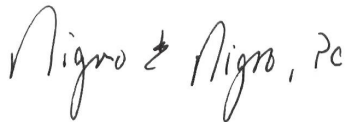
If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

All parties agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of California. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION. The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

If the preceding is in accordance with your understanding, please sign the enclosed copy of this letter.

We are looking forward to working with you on this engagement.

Very truly yours,



Nigro & Nigro, PC

RESPONSE:

This letter confirms our understanding of the services to be performed.

APPROVED:

Young, Minney & Corr, LLP

Date

El Camino Real Charter High School

Date