



2040 E Algonquin Rd ▪ Suite 506 ▪ Schaumburg ▪ IL 60173 ▪ Phone: 847.907.9640 ▪ Fax: 630.597.2500

March 17, 2021

Mr. Jason Fleming
Treasurer
Ridgedale Local SD
3103 Hillman Ford
Morral, OH 43337

Dear Jason:

Thank you for your continued business. I am writing to offer our Asset Reinventory service. You will continue to enjoy the benefits of a 3rd party covering your assets.

The following few pages outline our ongoing service intent. If you have any additional questions or concerns, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in black ink that reads 'Sean R. Rager'.

Sean R. Rager CPA
President

We propose to inventory, evaluate and report on the buildings, movable assets and site improvements of the Ridgedale Local SD. The scope of our engagement will involve onsite inspections at 2 locations with an approximate total area of 151,721 square feet as specified by the Ridgedale Local SD listed later under "Agreement".

Assets will be categorized and reported by location and general area within that location. Those with an estimated insurance replacement cost in excess of \$1,000.00 will be classified, valued, and reported for "Proof of Loss" purposes. Highly liquid assets will be tagged and recorded in full detail including manufacturer, model, serial number and tag number. GASB 34 depreciation with associated fund and function detail will be presented.

Real-time reporting will be available online within 10 business days of the onsite inspection. Your data is securely stored and backed up remotely thus reducing your operating cost of storage and system administration. Data can easily be printed or stored locally as a Microsoft Excel™ file or integrated into most accounting packages.

Asset categories reported in detail and summary include:

- Buildings and Structures
- Movable Equipment
- Site Improvements (insurable and uninsurable)

Web based reports communicate the following by asset class and location:

- Acquisition data (reasonably matched from current electronic records or estimated accordingly)
- Asset life
- Current and accumulated depreciation
- Salvage value and net remaining book value
- Fund and Function
- Special fields for flags and notations

Excluded from the services described by our proposal are:

- Infrastructure
- Leased equipment under an operating lease
- Expendable inventories and supplies
- Personal property of employees or others as identified
- Assets in or at locations locked away or otherwise not easily accessible *

**When assets are not easily accessible, we will consult with the Ridgedale Local SD to reasonably gather the assistance or information necessary to complete the survey.*

"Special Assets" such as land, athletic uniforms, band instruments, library books, radios, computer software, fine arts, historical treasures, and other special assets can be incorporated into the property record based on information provided to us by Ridgedale Local SD and reported accordingly.

Current "Commercial Real Estate Fair Market Value Appraisals" and fine art type "Reproduction Value Appraisals" are also available under a **"Special Asset Agreement" for a separate fee.** Please contact your account executive Deepak Mikkilineni for details.

Buildings

The inventory and valuation will include an inspection of the 2 locations listed later under "Agreement" as supplied or approved by Ridgedale Local SD. Building component classifications will be comprised of General Construction, Plumbing, Heating/Ventilating/Air Conditioning, Electrical System, Sprinkler System, Roofing and Fixed Equipment allocations. *Please have fire escape and/or site maps available prior to site visit.*

Movable Equipment

Manufacturer, model and serial number will be recorded for assets exceeding the \$1,000.00 threshold by physical inspection when readily accessible for viewing. Assets that are secured, immobilized by wiring, or subject to damage by moving will be listed and described without serial numbers. When serial numbers are made available, the items will be reflected in the report and fully documented.

Highly Liquid Assets and other assets in excess of the \$1,000.00 threshold will be inventoried in detail and tagged with standard vinyl tamper evident tags **included with our service** (see tags below).

The remaining movable equipment, designated as other movable equipment, will be inventoried or modeled by general area or building basis, which will be grouped and valued by asset class as necessary for proof of loss. Data elements relating to dates of acquisition, acquisition cost, useful life, and replacement cost will be developed "at average" by asset type for each location segregation. These assets will not be tagged.

Site Improvements (Insurable and Uninsurable Land Improvements)

The site improvements will consist of: Lighting, Fencing, Signs, Playground Equipment, All Weather Track, Outside Property, Score Boards, Bleachers, Storage, Parking Lots, Sidewalks, Curbs, Retaining Walls, Etc.

Supporting documentation pertaining to the data, reasoning, and analyses will be retained by ACS. The depth of discussion contained in the report will be specific to your needs as the client and is designed for the intended use of GASB 34 capital asset reporting and insurance "Proof of Loss".

Service Fee

Our fee for the engagement is **\$2,650.00** and will remain in effect for 1 term. This fee is based on our estimate of professional services to be furnished according to our understanding of your requirements; should the scope of these requirements change, Asset Control Solutions, Inc. and the Ridgedale Local SD will mutually revise the fee to reflect those changes in service. Our fee is independent of the outcome of our study. Based on our understanding of the project, our fee is based on the following:

Services offered as proposed above

Capital Asset and Insurance inventory and valuation utilizing a

Insurance Replacement Cost threshold of \$1,000.00

Highly Liquid and Tag threshold of \$1,000.00

GASB 34 Capitalization threshold of \$2,500.00

(or as otherwise directed)

Terms

49% of the first-year service fee is payable upon job commencement. Final payment due upon web delivery of Final Data unless otherwise negotiated to fit budgetary requirements.

Tags

Our own Tamper Evident Tags are to be provided by Asset Control Solutions, Inc. free for as long as you have our new client onsite inventory or existing client reinventory onsite service scheduled in the current year. Besides being free, you will benefit from the added theft deterrent too.

This Agreement is made effective as of March 17, 2021, by and between

Ridgedale Local SD

Morral, OH
United States

and

Asset Control Solutions, Inc.
2040 E Algonquin Road, Suite 506
Schaumburg, IL 60173
United States

In this Agreement, the Ridgedale Local SD who is contracting to receive services shall be referred to as "RLSDOH", and Asset Control Solutions, Inc. who will be providing the services shall be referred to as "ACS".

ACS has a background in technology, accounting and valuation and is willing to provide services to RLSDOH based on this background.

RLSDOH desires to have services described in the proposal dated March 17, 2021 provided by ACS.

Therefore, the parties agree as follows:

1. **DESCRIPTION OF SERVICES.** ACS will provide the following services (collectively, the "Services"): Assets with ACS provided or approved RLSDOH tag, will be located, inventoried and reported with location and tag identification by thresholds listed below. An opinion of replacement valuation and the associated capitalization information of Buildings, Movable Equipment and Site Improvements will be reported in detail above the insurance threshold of \$1,000.00, by tag above the tag value threshold of \$1,000.00 including highly liquid assets, and the GASB 34 compliant capitalization information on assets above the acquisition cost threshold of \$2,500.00.

2. **PERFORMANCE OF SERVICES.** The manner in which the services are to be performed and the specific hours to be worked by ACS shall be determined by ACS and approved in writing by RLSDOH. RLSDOH will rely on ACS to work as many hours as may be reasonably necessary to fulfill ACS's obligations under this Agreement.

3. **PAYMENT.** RLSDOH will pay a fee to ACS for the services in the amount of **\$2,650.00 Two Thousand Six Fifty Dollars and 00/100**. This fee shall be payable in a lump sum 49% prior to job commencement and balance due upon presentation of final web data.

4. **TERM/TERMINATION.** Term is for 1 year.

5. **EXPENSE REIMBURSEMENT.** ACS shall pay all "out-of-pocket" expenses, and shall not be entitled to reimbursement from RLSDOH given no change of schedule initiated by RLSDOH following written authorization of travel schedule.

6. **SUPPORT SERVICES.** RLSDOH will not be required to provide support services, including office space and secretarial services, for the benefit of ACS.

7. **NEW PROJECT APPROVAL.** ACS and RLSDOH recognize that ACS's services will include working on various projects for RLSDOH. ACS shall obtain the approval of RLSDOH prior to the commencement of a new project.

8. **RELATIONSHIP OF PARTIES.** It is understood by the parties that ACS is an independent contractor with respect to RLSDOH, and ACS is not an employee nor does ACS have a financial

interest in the RLSDOH. RLSDOH will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of ACS.

9. EMPLOYEES. ACS's employees, if any, who perform services for RLSDOH under this Agreement shall also be bound by the provisions of this Agreement. At the request of RLSDOH, ACS shall provide adequate evidence that such persons are ACS's employees.

10. INJURIES. ACS acknowledges ACS's obligation to obtain appropriate insurance coverage for the benefit of ACS (and ACS's employees, if any). ACS waives any rights to recovery from RLSDOH for any injuries that ACS (and/or ACS's employees) may sustain while performing services under this Agreement and that are a result of the negligence of ACS or ACS's employees.

11. INTELLECTUAL PROPERTY. The following provisions shall apply with respect to copyrightable works, ideas, discoveries, inventions, applications for patents, and patents (collectively, "Intellectual Property"):

- a. Consultant's Intellectual Property. ACS personally holds an interest in the Intellectual Property that is described as software and hardware and which is not subject to this Agreement.
- b. Development of Intellectual Property. Any improvements to Intellectual property, further inventions, or improvements, and any new items of Intellectual Property discovered or developed by ACS (or ACS's employees, if any) during the term of this Agreement shall be the property of ACS.

12. CONFIDENTIALITY. RLSDOH and ACS recognizes that both entities has and will have the following information:

- process information
- trade secrets
- technical information
- copyrights

and other proprietary information (collectively, "Information") which are valuable, special and unique assets of RLSDOH and ACS and need to be protected from improper disclosure. RLSDOH and ACS agree that RLSDOH and ACS will not at any time or in any manner, either directly or indirectly, use any Information for RLSDOH's or ACS's own benefit, or divulge, disclose, or communicate in any manner any Information to any third party without the prior written consent of RLSDOH and ACS. RLSDOH and ACS will protect the Information and treat it as strictly confidential.

13. NOTICES. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person, email receipt returned, or deposited in the United States mail, postage prepaid, addressed as follows:

IF for RLSDOH:

Mr. Jason Fleming
Ridgedale Local SD
Morral, OH 43337

IF for ACS:

Sean R. Rager, President
Asset Control Solutions, Inc.
2040 E Algonquin Road, Suite 506
Schaumburg, IL 60173
An Illinois C corporation EIN: 74-3163816

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

14. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

15. AMENDMENT. This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

16. SEVERABILITY. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

17. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

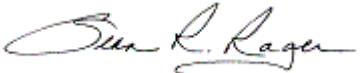
18. APPLICABLE LAW. This Agreement shall be governed by the laws of the State of Illinois.

Party receiving services:
Ridgedale Local SD
Morrill, OH

By: _____
Mr. Jason Fleming
Treasurer

Date: _____

Party providing services:
Asset Control Solutions, Inc.

By:  _____

Date: 3/17/2021

Sean R. Rager
President