



March 5, 2021

Mr. Jason Fleming, Treasurer
Ridgedale Local School District
3103 Hillman Ford Road
Morral, OH 43337

Dear Mr. Fleming:

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

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

Engagement Services

Our engagement will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Because the procedures included in the attachment to this letter do not constitute an audit made in accordance with generally accepted auditing standards, we will not express an opinion on any of the specific elements, accounts, or items referred to in our Agreed-Upon Procedures Report.

At the conclusion of our engagement, we will submit the following documents to the District:

1. Agreed-Upon Procedures Report
2. Attestation of Findings
3. Medicaid School Program Cost Report – Original (Pre Agreed-Upon Procedures)
4. Medicaid School Program Cost Report – Final (Post Agreed-Upon Procedures)
5. T1 and T2 Reports, only if transportation is reported

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

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

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

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

The District's Responsibilities

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

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

The District is also responsible for, and agree to provide us with, a written assertion about the validity and accuracy of information contained within the MSP cost report of the District. In addition, the District is responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require a representation letter from management of the District that, among other things, will confirm the District's responsibility for the validity and accuracy of information contained within the Medicaid School Program Cost Report of the District.

Records and Assistance

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

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

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

Fees, Costs and Access to Documentation

The fees for the services described above are estimated not to exceed \$1,475 for the cost report date ending 2020, \$1,625 for the cost report date ending 2021 and \$1,775 for the cost report date ending 2022 and may be subject to adjustments based on unanticipated changes in the scope of our work. All other provisions of this letter will survive any fee adjustment. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission.

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

The attest documentation for this engagement is the property of Rea & Associates, Inc. and constitutes confidential information. However, we may be requested to make certain attest documentation available to the Ohio Department of Medicaid and or the Ohio Department of Education pursuant to authority given to each agency by law or regulation. If requested, access to such attest documentation will be provided under the supervision of Rea & Associate Inc.'s personnel. Furthermore, upon request, we may provide copies of selected attest documentation to Ohio Department of Medicaid and or the Ohio Department of Education. These agencies may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. This being said, Rea & Associates, Inc. will comply with the requirements of 45 CFR 164.504(e)(1) for safeguarding and limiting access to information concerning beneficiaries. We acknowledge that Rea & Associates, Inc.'s personnel and principles have not been suspended or debarred.

Claim Resolution

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

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

Ridgedale Local School District

March 5, 2021

Page 4

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

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

Rea & Associates, Inc.

Confirmed on behalf of the District:

Jason Fleming, Treasurer

Date