

March 27, 2024

Joris M. Jabouin, Chief Auditor  
School Board of Broward County

Dear Mr. Jabouin:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the consulting services we will provide to the School Board of Broward County (“SBBC”, “District”).

***Objectives, Services and Scope of Work***

The primary objective of this consulting engagement is to perform a district-wide risk assessment and develop a multi-year internal audit plan based on the results of this risk assessment.

***Procedures***

Our procedures will include the following:

1. Review of District’s most recent internal audit plan, audit universe, strategic plan, missions, goals, and recent audits, financial data, etc.
2. Circulate risk questionnaire to key District stakeholders.
3. Conduct interviews with School Board members, Audit Committee members, and key District management personnel.
4. Identify key risks areas, including: financial, operational, compliance and reputation.
5. Develop of a risk register/heat map (High, Moderate, Low quadrants).
6. Prioritize identified risks including likelihood and impact.
7. Develop list of potential internal audit projects risk-rated – High, Medium, Low

***Deliverable***

We will provide the results of the procedures in the form of a list of potential internal audit projects prioritized based on the results of the entity-wide risk assessment.

These services are consulting related and in no way constitute an audit, review or compilation made in accordance with standards established by the American Institute of Certified Public Accountants. Therefore, we will not express an opinion on any financial statements, accounts or items. The consulting

services will be conducted according to industry standards such as the AICPA's *Professional Standards for Consulting Services*.

Our engagement cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, we will inform you of any material errors and any evidence or information that comes to our attention during the performance of our consulting procedures that indicates fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our consulting procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential.

You agree to assume all management responsibilities and make all decisions for these consulting services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

### ***Conflicts***

CRI has performed an internal search in accordance with our internal procedures for potential client conflicts. No client conflicts were found with respect to any of the parties identified. During the course of this engagement, you agree to inform CRI of additional parties in this matter or name changes of those parties provided.

As a large professional services organization, CRI is engaged by new clients every day and cannot ensure that an engagement for the involved parties will not be accepted by CRI. We take no responsibility for monitoring possible conflicts that could arise during the course of the engagement, although we will inform you promptly should any come to our attention. We reserve the right to resign from this engagement at any time if conflicts arise or become known to us that, in our judgment, would impair our ability to perform objectively.

### ***Engagement Administration***

Robert L. Broline Jr. will participate as engagement partner, maintaining overall administrative responsibility for the engagement, including billing, client relations and will be actively involved in the performance of the engagement and supervising CRI staff assisting with the engagement.

Our fees for the services described in this engagement letter are based on estimated total hours of 250 with total fees not to exceed \$50,000. We will bill our time based on actual hours incurred times the hourly rates stipulated in the Agreement dated September 4, 2019 which commenced on January 1, 2020 and expired on June 30, 2022 ("Agreement"). The Agreement was extended by exercising the first of two options to renew one year from the date of the Agreement's expiration date by way of Amendment 1, dated October 12, 2021. Subsequently, Amendment 1 to the Agreement was extended by exercising the second of two options to renew one year from the date of Amendment 1's expiration date by way of Amendment 2, dated January 18, 2023.

These not to exceed fees are based on the following assumptions: that meetings, interviews and fieldwork will be done remotely; and no more than two in-person meetings. Additionally, to meet the scope of this engagement and the requested report delivery date of May 3, 2024, the following is required: 1) a purchase order must be issued by no later than April 2, 2024; and 2) key District Stakeholders must be available to interview within the period of April 8 to April 17, 2024. If we encounter circumstances that would require us to expand the scope of the engagement, we will discuss this with you before doing additional work. CRI acknowledges that fees for its engagement by SBBC are governed by Section 2.04 of the parties' contract. CRI acknowledges that pursuant to Section 3.06 of the parties' contract and General Condition 5.4 of RFP # FY20-003 – "Construction, Operational and Information Technology Auditing Services," any invoices CRI submits to SBBC are subject to the Local Government Prompt Payment Act (Part VII of Chapter 218, Florida Statutes). CRI acknowledges that the terms and conditions for default and for termination of its contract with SBBC are respectively in Sections 3.04 and 3.05 of that contract and may not be modified except by an amendment as permitted by Section 3.15 of the contract. Our fees are not contingent upon the final results, nor do we guarantee any result or resolution in conjunction with our services.

### **Statute of Limitations**

CRI acknowledges that pursuant to Section 3.06 of its contract with SBBC and General Condition 5.4 of RFP # FY20-003 – "Construction, Operational and Information Technology Auditing Services," the applicable Florida statute of limitation shall govern any actions arising under the contract and that such period of limitation shall not be modified by any document other than the contract or an amendment thereto pursuant to Section 3.15 of the contract. CRI acknowledges that any disputes under its contract with SBBC are not subject to arbitration, but rather are subject to litigation as referenced in Section 3.08 of the parties' contract and General Condition 5.4 of RFP # FY20-003 – "Construction, Operational and Information Technology Auditing Services."

### **Electronic Data Communication and Storage and Use of Third Party Service Provider**

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security.

We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

CRI acknowledges that it is responsible for the conduct of its work under the contract and, pursuant to Section 3.16 of the parties' contract, that SBBC does not waive any liability that CRI may have arising from work that CRI chooses to subcontract or arising from CRI's use of resources obtained from third party vendors.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. CRI acknowledges that the scope of its liability is governed by the parties' contract and the terms and conditions of RFP # FY20-003 – "Construction, Operational and Information Technology Auditing Services." CRI acknowledges that General Conditions 2.6; 4.2.1; 5.1 and 5.3 of Section 2 of RFP # FY20-003 –

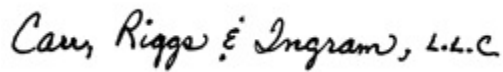
“Construction, Operational and Information Technology Auditing Services” expressly precluded proposers including CRI from limiting their liability beyond any limitations permitted by General Condition 7.1 and that doing so would have rendered CRI’s submittal under the RFP to be non-responsive and causing CRI to be ineligible for award. In the event you suffer a loss of any files or records due to accident, inadvertent mistake, or Act of God, copies of which you have provided to us pursuant to this agreement, we shall not be responsible or obligated to provide you a copy of any such file or record which we may retain in our possession.

**Conditions and Specifications**

The conditions and specifications of **RFP20-003** apply to this consulting engagement and are part of our agreement.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Response:

This engagement letter and the conditions and specifications correctly set forth our understanding and acceptance of this agreement.

Acknowledged and accepted:  
School Board of Broward County  
Joris M. Jabouin, Chief Auditor

By: \_\_\_\_\_ Date: \_\_\_\_\_