



GRANT THORNTON LLP

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Jeff Trader
Executive Director, Chief Financial Officer
Newport-Mesa Unified School District
2985 Bear Street
Costa Mesa, CA 92626

Dear Jeff:

Grant Thornton LLP ("Grant Thornton") is pleased to provide tax services (the "Services") to Newport-Mesa Unified School District ("Client"). The purpose of this letter, Attachment A, and any related Statement(s) of Work (collectively, the "Agreement"), as defined below, is to confirm the scope and terms of the engagement.

The Agreement is intended to remain in effect indefinitely from the date of this letter (the "Effective Date"), unless terminated or modified in accordance with Attachment A. It is structured to facilitate serving Client's current and future tax services needs by allowing multiple tax services to be provided under this Agreement through the execution of additional Statements of Work.

Providing the services

The Services Grant Thornton provides to Client under this Agreement typically will be set forth in distinct Statements of Work signed by Grant Thornton and Client or Client's authorized representatives, specifying matters including scope, deliverables, timing, fees and payment terms. From time to time in the course of the relationship Grant Thornton may perform services Client explicitly requests without a Statement of Work. This Agreement will cover all services rendered whether the parties execute a Statement of Work. Such services will be billed at Grant Thornton's standard hourly rates as appropriate or as otherwise agreed.

Attachment A is an important part of this Agreement; please read it carefully.

If Client fails to meet any undisputed payment obligation under this Agreement, Grant Thornton may immediately suspend performance of the Services. If we elect to suspend performance due to non-payment, the Services will not be resumed until Client's account is paid as agreed, including the payment of any retainer that may be required for continuing services.

Grant Thornton's professional responsibilities

The Services will be performed in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Tax Services and other applicable professional standards, and applicable federal and state laws and regulations.

Professional and regulatory standards require Grant Thornton to secure Client's consent prior to providing any Client information to third parties,



including Client's request to allow workpaper access to third parties. Grant Thornton will secure Client's written consent before sharing information with any third-party.

Upon Client's request, we will return documents provided to Grant Thornton as well as provide copies of other Client records to the extent required by applicable professional standards. Client is solely responsible for maintaining its books and records, including retaining copies of filed tax returns, and should not rely on Grant Thornton as a record-keeper.

Generally, the Services will be based upon information furnished by Client, and Grant Thornton will not evaluate nor have any responsibility to verify independently the accuracy, completeness or sufficiency of any such information. However, circumstances may arise where Grant Thornton, in its professional judgment, determines that additional fact gathering and due diligence is required.

Federal and State laws and professional standards impose significant responsibilities on tax return preparers, including non-signing preparers who provide tax advice. Grant Thornton prepares tax returns and/or provides tax advice consistent with these professional responsibilities. Grant Thornton's professional responsibilities may include communicating with Client about differences between standards applicable to tax return preparers and penalty provisions that may be imposed on a taxpayer regarding a tax position. Grant Thornton may not sign a tax return or provide tax advice unless a position is supported by sufficient authority or is appropriately disclosed.

The Internal Revenue Code and Treasury Regulations require taxpayers to disclose certain types of transactions, known as reportable transactions, for which failure to disclose may result in the imposition of substantial penalties. For tax return preparation engagements, a completed and signed Reportable Transactions Questionnaire, and Client's cooperation in regard to any follow-up requests for information, are required prior to processing any tax returns. Grant Thornton may be engaged to prepare.

Unless expressly stated otherwise in a Statement of Work, any written advice provided by Grant Thornton is limited to the matters and potential tax consequences specifically addressed therein, and not intended or written as advice on the application or potential application of any penalties that may be imposed under any federal, state, or foreign statute or regulation in any manner.

Term

This Agreement shall remain in full force and effect in accordance with its terms and conditions and shall constitute legal, valid, binding, and enforceable obligations of both Grant Thornton and Client until terminated by either party in accordance with the termination provision set forth in Attachment A. Because applicable professional standards, law, and regulations may change in the future, Grant Thornton reserves the right to amend this Agreement upon appropriate notice and consent of Client.



Other matters

Please confirm acceptance of this Agreement by signing this letter below, signing the enclosed Statement(s) of Work, and returning the complete signed Agreement to Grant Thornton. We look forward to the opportunity to serve you.

Sincerely,

GRANT THORNTON LLP

DocuSigned by:

Philip Bonanno, Managing Director

11/12/2021 | 12:14 PM CST
Date: _____

NEWPORT-MESA UNIFIED SCHOOL DISTRICT

Jeff Trader, Executive Director, Chief Financial Officer

ATTACHMENT A - STANDARD GRANT THORNTON LLP ENGAGEMENT TERMS

This Attachment A – Standard Grant Thornton LLP Engagement Terms (this “Attachment A”) is incorporated into and a part of the attached Engagement Letter by and between Grant Thornton LLP (“Grant Thornton”) and Newport-Mesa Unified School District (“Client”). Any Statement of Work (a “SOW”) attached hereto or referencing this Attachment A is incorporated into and subject to the terms and conditions of this Attachment A. The Engagement Letter, each Statement of Work, and this Attachment A are collectively referred to as the “Agreement”. Any capitalized terms in this Attachment A that are not defined shall have the meanings set forth in the Engagement Letter.

1. Standards of Performance. Grant Thornton warrants that it will perform the services described in each SOW (the “Services”) and provide any reports, information or other documents (the “Deliverables”) specified in each SOW in substantial conformity with all applicable professional standards and the terms and conditions expressly set forth in the Agreement. Accordingly, Grant Thornton’s Services and the Deliverables shall be evaluated solely on Grant Thornton’s substantial conformance with such terms and conditions, professional standards expressly set forth in the SOW, and applicable law. This warranty is in lieu of, and Grant Thornton expressly disclaims, all other warranties, express, implied, or otherwise, including without limitation, any implied warranties of merchantability or fitness for a particular purpose. Grant Thornton cannot and does not warrant computer hardware, software, or services provided by other parties.

2. Management Responsibilities. Grant Thornton assumes no management responsibilities for Client. Accordingly, Client agrees to perform all management responsibilities and oversee the Services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and experience, to evaluate the adequacy and results of the Services performed and accept responsibility for the results of the Services.

Because Grant Thornton cannot assume management responsibilities when providing Services, Client agrees that its management, including its designated representative, will make an informed judgment on the results of the Services and be responsible for making the significant judgments and decisions that are the responsibility of management. In addition, Client agrees to undertake: (a) all management decisions and performance of all management functions, including maintaining all internal books and records; (b) the evaluation of the adequacy and results of the Services and responsibility for such results; and (c) the establishment and maintenance of effective internal controls, including monitoring activities, retaining custody of Client’s assets, and controlling Client’s premises.

3. Business Risk Allocations. The terms of this Section 3 shall apply regardless of the nature of any claim asserted (including but not limited to contract, statute, tort, strict liability, or negligence, whether by Client, Grant Thornton, or others) but such terms shall not apply to the extent finally determined to be contrary to applicable law.

(a) With respect to the Services and this Agreement generally, the liability of Grant Thornton and its present, future, and former partners, principals, directors, employees, agents and contractors (collectively referred to as the “Grant Thornton Firm”) for all claims, including but not limited to the Grant Thornton Firm’s own negligence, shall not exceed and shall be limited to the fees payable for the portion of the work giving rise to such liability. This limitation shall not apply to the extent that it is finally determined that any claims, losses, or damages are the result of the Grant Thornton Firm’s willful misconduct or fraud.

(b) EACH PARTY HEREBY WAIVES, AND IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR, ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL, OR EXEMPLARY DAMAGES OR LOSS, INCLUDING WITHOUT LIMITATION, ANY LOST PROFITS, TAXES, INTEREST, PENALTIES, LOSS OF SAVINGS, OR LOST BUSINESS OPPORTUNITY.

(c) In responding to any claim asserted, each party may avail itself of any defense available under applicable law, but in no event shall the aggregate liability of each party for any claims, losses or damages related to this Agreement exceed an amount that is proportional to the relative fault of such party that is finally determined to have caused the other party’s losses.

(d) Client shall, upon the receipt of written notice, indemnify, defend, and hold harmless the Grant Thornton Firm from and against any liability, damages, fees, expenses, losses, demands and costs (including reasonable defense costs) (collectively, “Losses”) associated with third-party claims arising out of or relating to (i) misrepresentations made by, or false or incomplete information provided by, Client or its agents or representatives or (ii) such third party’s use of

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or reliance upon the Services or Deliverables. Client agrees to reimburse the Grant Thornton Firm for all reasonable expenses, including reasonable attorneys' fees and expenses, as they are incurred in connection with the investigation of, preparation for, or defense of, any pending or threatened claim or action or proceeding for which the Grant Thornton Firm is entitled to indemnification.

(e) In the event of any controversy or claim against Grant Thornton arising from or related to the Services, Grant Thornton shall be entitled, at its option, to defend itself from such controversy or claim. Grant Thornton also reserves the right to participate in any settlement, administrative, or judicial proceedings. Grant Thornton's decision to abstain or defend or participate in any proceedings as set forth above shall in no way prejudice its rights to indemnification.

4. Use of Documentation and Reliance.

(a) Professional standards require Grant Thornton to maintain sufficient documentation to support its work. This documentation may include copies of Client's information. However, to the extent that Grant Thornton has copies of Client's information, Grant Thornton will protect and safeguard Client's information from unauthorized disclosure.

(b) Unless provided for differently in the applicable SOW, all Deliverables provided by Grant Thornton to Client in performing the Services are the sole and exclusive property of Grant Thornton and are prepared solely for the internal use of Client's management, employees and board of directors. Except as provided below, upon full payment of Grant Thornton's billings, Client shall acquire a limited, perpetual, non-transferable, royalty-free license to use the Deliverables for Client's internal business purposes.

(c) Client agrees to protect all Deliverables from unauthorized use and prevent disclosure of the Deliverables to third parties who may rely on them. Further, Grant Thornton has not and shall not be deemed to assume any duties or obligations to any third party.

(d) If the Client wishes to make reference to Grant Thornton or to disclose or disseminate in any manner and in any medium (e.g., Client website), any portion of any Deliverable to a third party Client agrees to first (i) provide Grant Thornton with a draft of the proposed disclosure, (ii) obtain Grant Thornton's advance written approval, and (iii) if requested by Grant Thornton, obtain from any third party and provide Grant Thornton with a non-disclosure agreement and/or release in a form satisfactory to Grant Thornton in its sole discretion.

(e) Grant Thornton shall retain sole and exclusive ownership of and all right, title, and interest in and to any know-how, concepts, techniques, methodologies, ideas, processes, models, templates, tools, utilities, routines, trade secrets, and other intellectual property that (i) existed prior to, or were developed independent of, Client's engagement or (ii) may have been discovered, created, or developed by Grant Thornton as a result of its own efforts during the engagement, which are of general application and do not contain Client's confidential information (collectively, the "Grant Thornton Property"). Client shall acquire no right to or interest in the Grant Thornton Property, except for a non-exclusive, non-transferable, royalty-free right to use such Grant Thornton Property solely in connection with Client's permitted use of the Deliverables to the extent any Grant Thornton Property is incorporated therein. Client will not sublicense or otherwise grant any other party any rights to use, copy, or otherwise exploit or create derivative works from the Grant Thornton Property.

(f) Except as expressly contemplated by the applicable SOW, Grant Thornton assumes no responsibility to update any conclusions or Deliverables.

5. Third-Party Proceedings. Unless expressly provided for, the Services do not include giving testimony or appearing or participating in discovery proceedings, administrative hearings, court, or other legal or regulatory inquiries or proceedings. Except with respect to a dispute or litigation between Grant Thornton and Client, Grant Thornton's costs (including reasonable attorneys' fees) and time spent in legal and regulatory matters or proceedings relating to Grant Thornton's engagement, whether made at the Client's request or by subpoena, request for testimony, or consultation involving private litigation, arbitration, industry, or government regulatory inquiries, will be billed to Client separately.

6. Access to Resources and Information. Unless specified in a SOW as the responsibility of Grant Thornton to provide, Client shall have obtained on a timely basis as required for Grant Thornton's performance of the Services (i) any internal and third-party permissions, licenses or approvals (including use of any necessary software or data); and (ii) all information, approvals and assistance as may be necessary or as Grant Thornton may reasonably request. Grant Thornton's personnel assigned to any engagement shall not be assumed or deemed to have knowledge of information provided to other Grant Thornton engagement teams or third parties.

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7. Term and Termination. This Agreement will commence on the Effective Date and it will not expire, unless earlier terminated as provided in this Section. Grant Thornton and Client shall each have the right to terminate this Agreement (or applicable SOW therein), in whole or in part at any time without further obligation to the other by giving not less than thirty (30) days written notice to the other party. Further, Grant Thornton shall have the right to terminate this Agreement and/or any SOW immediately if it discovers practices by Client that it deems dishonest, fraudulent, or illegal; or Grant Thornton determines that application of or changes in applicable rules or professional standards, such as those established by the American Institute of Certified Public Accountants, Public Company Accounting Oversight Board, or U.S. Securities and Exchange Commission, restrict the Grant Thornton Firm's ability to complete the work. If either party terminates this Agreement or any SOW as set forth in this Section, Client agrees to pay Grant Thornton for the Services performed, including out-of-pocket expenses and costs, rendered up to the date of such termination. Grant Thornton retains the right to suspend or terminate the Services in the event of nonpayment. Services will not be resumed until Client's account is paid as agreed.

8. Third-Party Service Providers. Grant Thornton LLP is the U.S. member firm of Grant Thornton International Ltd ("GTIL"), a global organization of member firms. Member firms are neither members of one international partnership nor otherwise legal partners with one other. There is no common ownership, control, governance, or agency relationship among member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. In the event Grant Thornton subcontracts some of the Services to a GTIL member firm, Grant Thornton takes sole responsibility for all work performed in relation to the applicable SOW and Client agrees that, with respect to work that is the subject of the SOW, its sole recourse is against Grant Thornton.

Additionally, Grant Thornton may use third parties to provide administrative and operational support to Grant Thornton business operations, or to provide engagement team resource services. All of these third-party service providers are subject to confidentiality obligations to protect the confidentiality of client data. Such entities may be located within or outside the United States.

9. Electronic Communications. During the course of the engagement, the parties may need to electronically transmit confidential information to each other and to third-party service providers or other entities engaged by either Grant Thornton or Client. Electronic methods include telephones, mobile devices, e-mail, cloud services and fax. All forms of electronic communication have inherent security weaknesses, and the risk of compromised confidentiality cannot be eliminated. Client agrees to the use of electronic methods to transmit and receive information, including confidential information. Grant Thornton shall not be liable for any loss, damage, expense, inconvenience, or harm resulting from the loss, delay, interception, corruption, or alteration of any electronic communication due to any reason beyond its reasonable control.

If applicable, Grant Thornton may use automated data gathering tools developed by it, its affiliates, or third-party providers, such as SQL scripts to extract data for further analysis for purposes of the applicable engagement. These tools are designed to be executed by the Client's information technology professionals within the Client's information systems environment. Client hereby consents and authorizes Grant Thornton to use these tools only for the purpose of performing the applicable engagement.

Grant Thornton shall not be responsible for any service interruptions of, or corruption or damages to, Client's or third-party information systems and the information and data contained therein, including but not limited to denial of access, and automatic shutdown of information systems caused by or resulting from Grant Thornton's performance of the Services.

10. Management Representations. Grant Thornton's findings, conclusions, and recommendations are limited solely to the matters for which Grant Thornton was engaged. No conclusions should be inferred as to any matters not specifically covered by the applicable SOW. Further, the findings, conclusions, and recommendations are based upon the facts and information presented by Client and may be inapplicable if the actual facts differ from those presented in any respect.

Because of the importance of the information that Client provides to Grant Thornton with respect to Grant Thornton's ability to perform the Services, Client hereby releases the Grant Thornton Firm from any liability, damages, fees, expenses, and costs (including defense costs) relating to the Services, that arise from or relate to any information (including representations by management) provided by Client, its personnel or agents, that is misleading or not complete, accurate, or current.

11. Confidential Information. Each party (the "Disclosing Party") may disclose to the other party (the "Receiving Party") information that it considers confidential or proprietary ("Confidential Information").

- (a) Confidential Information includes but is not limited to (i) reports, financial information, studies, drawings, contracts, business plans, inventions, technical information, know-how, plans, and specifications and (ii) any information or data which is disclosed by a party to the other party under or in contemplation of this Agreement which

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has been marked or identified as confidential or which a reasonable person would know to be confidential or proprietary due to the circumstances of its disclosure or is marked as such. Client will provide the minimum amount of Confidential Information and minimum access to such information necessary for Grant Thornton to perform the Services.

(b) A party's Confidential Information shall not include information that (i) is or becomes part of the public domain through no act or omission of the other party; (ii) was in the other party's lawful possession prior to the disclosure and had not been obtained from the Disclosing Party; (iii) is lawfully disclosed to the other party by a third party without restriction on disclosure; or (iv) is independently developed by one party without use of or reference to the other party's Confidential Information. In addition, nothing contained herein shall be construed as preventing either party from using the information retained from the Confidential Information of the other party as part of its general skill, knowledge, talent, and expertise.

(c) The Receiving Party agrees to hold in confidence and not to disclose or reveal to any person or entity except its Representatives (as defined below), the Confidential Information of the Disclosing Party. The Receiving Party further agrees to protect the Disclosing Party's Confidential Information in the same manner it protects its own confidential information, provided no less than reasonable care shall be used. The Receiving Party may disclose Confidential Information to its partners, principals, officers, directors, employees, agents, GTIL member firms, and contractors (collectively, its "Representatives") who have a legitimate need to review such information. The Receiving Party shall be responsible for any breach of this Agreement by its Representatives and shall take all reasonable steps to cause its Representatives to comply with the terms hereof.

(d) If Receiving Party is requested or required by law, regulation, legal process or an oversight body to disclose Confidential Information, Receiving Party will, to the extent practical and legally permitted, notify Disclosing Party of such request or requirement so that Disclosing Party may seek an appropriate protective order or other relief. In the absence of a protective order or other applicable relief, Receiving Party may disclose the portion of Confidential Information subject to such request or requirement without liability hereunder.

(e) Grant Thornton may be requested to make certain documentation available to regulators, governmental agencies, or their representatives ("Regulator(s)") pursuant to law or regulations. If requested, access to the documentation will be provided to Regulators under the supervision of Grant Thornton personnel and at a location designated by Grant Thornton. Furthermore, upon request, Grant Thornton may provide photocopies of selected documentation to Regulators. Regulators may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies. Client hereby authorizes Grant Thornton to allow Regulators access to, and photocopies of, the documentation in the manner discussed above. To the extent legally permissible, Grant Thornton will notify Client of any requests made by Regulators prior to granting access or release of such information to Regulators.

12. Privacy. Grant Thornton will maintain Client's personal information in confidence in accordance with professional standards and governing laws. Client will not provide any personal information unless necessary for Grant Thornton to perform the Services. Client will strictly limit provision of personal information to that personal information essential to Grant Thornton's performance of the Services. Client will anonymize, mask, obfuscate, and/or de-identify all personal information unless Grant Thornton requires otherwise to provide the Services. Client is responsible for obtaining, pursuant to law or regulation, consents for any personal information that Client provides to Grant Thornton.

13. Dispute Resolution.

(a) Mediation. Any controversy or claim arising out of or relating to the Services, related fees, or this Agreement shall first be submitted to mediation. A mediator will be selected by agreement of the parties, or if the parties cannot agree, a mediator acceptable to all parties will be appointed by the American Arbitration Association. The mediation will proceed in accordance with the customary practice of mediation and shall be concluded within sixty (60) days from receipt of written notice unless the parties agree otherwise. Any facts disclosed related to the mediation shall be kept confidential and each side shall pay its own costs of the mediation but will share equally the mediator's expenses.

(b) Arbitration. In the event mediation is not successfully resolved, then the parties agree that such dispute(s) or claim(s) shall be settled by binding arbitration. The provisions herein supersede any contrary arbitral rules that might otherwise apply. The arbitration proceeding shall take place in Chicago, Illinois unless the parties mutually agree to a different location. The proceeding, including any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed

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by the provisions of the Federal Arbitration Act and will proceed in accordance with the then current Conflict Prevention & Resolution ("CPR") or the similar rules of another arbitration association if one other than CPR is selected, except that pre-hearing discovery shall be limited as provided for herein or unless specifically authorized by the arbitrators. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the Federal Arbitration Act and resolved by the arbitrators.

- i. To begin the arbitration process, a party shall provide written notice of the issues to be resolved by arbitration (the "Notice") within fifteen (15) days of the parties' agreement to terminate or waive mediation, and the other party shall respond within twenty one (21) days and shall add any other issues to be resolved within the arbitration. The arbitrators shall only resolve those issues identified in the Notice, and issues that are not identified shall not be arbitrated nor brought to court.
- ii. The arbitration shall be conducted by three (3) arbitrators. Each party shall select an arbitrator experienced in relevant subject matters within twenty-one (21) days of the Notice. The two (2) designated arbitrators shall then select a third neutral arbitrator within twenty-one (21) days of their selection. It is the parties' intention that the two (2) arbitrators selected by the parties be "neutrals" who will not be informed as to which party selected them. If the two (2) arbitrators cannot agree on selection of a third arbitrator within twenty-one (21) days of their appointment, the governing arbitration agency shall request a list of arbitrators and select a third arbitrator under the agency's rules within thirty (30) days. If both parties are in agreement, the dispute may be heard by one (1) arbitrator selected within sixty (60) days following receipt of the Notice.
- iii. The parties shall not be entitled to discovery except as it directly relates to the underlying Services that are at issue and shall submit a joint proposed schedule to the arbitrators within thirty (30) days of the arbitrators' selection. Other than described herein, no other discovery is allowed except by the arbitrators and only for good cause shown.
- iv. Except for impeachment-only information, each party must disclose within thirty (30) days after the selection of the arbitrators: (1) the names, addresses, telephone numbers, and email addresses of persons who have knowledge and/or discoverable information relating to the issues submitted for resolution; (2) its claims and defenses; and (3) a computation showing each element of claimed damages.
- v. The parties shall be entitled to take (i) up to three (3) depositions and (ii) the depositions of any expert witness who will testify in the arbitration proceeding. No deposition shall exceed seven (7) hours. Each testifying expert shall provide the same materials required under Federal Rule of Civil Procedure 26(a)(2)(B). The parties must confer in good faith to resolve all discovery disputes. If they cannot resolve these themselves, the parties must attempt to do so in conference with the arbitrators. If the dispute is not resolved in conference, the arbitrators must promptly rule on the issues. Each side may file dispositive motions without obtaining leave from the arbitrators but must confer with the other side prior to filing any dispositive motions. All motions should be filed no later than sixty (60) days prior to the arbitration hearing, unless agreed otherwise by the parties or ordered by the arbitrators.
- vi. The arbitrators shall have no authority to award non-monetary equitable relief or indirect, consequential, or punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrators may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for its own costs associated with the arbitration, except that the costs of the arbitrators shall be equally divided by each side involved in the arbitration. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as required to confirm the award, or disclosed to professional or regulatory bodies, as required by law or a court of law, or in a related confidential mediation or arbitration. The parties agree that arbitration is the sole and exclusive remedy for disputes arising out of or related to this Agreement. If arbitration is initiated and the other party declines to participate and instead initiates litigation elsewhere, doing so will constitute a default judgment.

(c) **Limitation on Period to File Claims.** It is expressly agreed by each party that any action, regardless of form, arising out of the Services, whether it be in contract, tort, or otherwise, shall be deemed waived if a claim is asserted more than two (2) years from the earlier of the date that the applicable Deliverable is issued or the Services are completed.

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14. Personnel.

(a) During the term of a SOW and for a period of one (1) year after the Services are completed, Client agrees not to solicit, directly or indirectly, or hire, Grant Thornton's personnel performing Services hereunder without Grant Thornton's written consent. If this Section is violated, Client will pay Grant Thornton a fee equal to the hired person's annual salary in effect at the time of the violation as reimbursement for the estimated costs of replacement personnel. The foregoing shall not apply if the individual is hired in response to a general advertisement made available to the public.

(b) For engagements subject to the SEC independence rules, Client acknowledges that hiring Grant Thornton (or GTIL) personnel participating on an engagement may be perceived as compromising Grant Thornton's objectivity, and if applicable, impairing Grant Thornton's independence. Accordingly, prior to entering into any employment discussions with such personnel, Client agrees to discuss the potential employment, including any applicable independence ramifications, with the engagement partner responsible for the Services.

15. Miscellaneous.

(a) No Assignment. Neither party shall assign any rights, obligations or claims relating to this Agreement without the prior written consent of the other party, except Grant Thornton may assign this Agreement to a successor in interest upon written notice in connection with a change of control or sale of a line of business or all or substantially all of its assets.

(b) Force Majeure. Neither party shall be liable for any delay or failure in performance (except for payment obligations) due to any strikes, work stoppages, accidents, acts of war or terrorism, governmental actions, civil or military disturbances, pandemics, epidemics, contagious diseases, nuclear or natural catastrophes or acts of god, or other circumstances beyond its reasonable control.

(c) No Third-Party Beneficiaries. No third-party beneficiaries are intended under this Agreement.

(d) Name Use. Neither party shall use the other's name, service marks, or trademarks in external publicity materials without prior written consent.

(e) Governing Law. This Agreement, including its formation and the parties' respective rights and duties and all disputes that might arise from or in connection with this Agreement or its subject matter, shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its conflicts of laws rules that would require the application of another state's laws.

(f) Independent Contractors. Each party is an independent contractor with respect to the other and shall not be construed as having an employee/employer, trustee, joint venture, agency or fiduciary relationship.

(g) Effect of Invalidity. If any portion of this Agreement is held invalid, it is agreed that such invalidity shall not affect any of the remaining portions. Moreover, if the terms of any provision hereof are determined to be unenforceable under applicable law as a result of their duration, scope, limitation, or exclusions, such provision shall be construed to the extent possible to be valid and enforceable while adhering as closely as possible to the parties intent as contemplated hereby. If because of a change in Client's status or due to any other reason, any provision in this Agreement or the Services hereunder would be prohibited by laws, regulations, or published interpretations by governmental bodies, commissions, state boards of accountancy, or other regulatory agencies, such provision shall, to that extent, be of no further force and effect, and the Agreement shall consist of the remaining portions.

(h) Entire Agreement. This Agreement, including any other incorporated attachments, sets forth the entire understanding between and among the parties regarding the Services and the exchange of information and supersedes all prior and contemporaneous agreements (whether written or oral), arrangements and communications which shall hereby be terminated and may not be modified or amended, except by the mutual written agreement of both parties that references and is incorporated into this Agreement. If there is a conflict between this Attachment A, the Engagement Letter, or any SOWs, this Attachment A shall control unless the applicable SOW specifically references the applicable provision of this Attachment A to be overridden. Except as otherwise agreed in an attachment to this Agreement, no "click-through," "shrink-wrap," "browse-wrap," similar agreements or other terms, whether entered into before, on, or after the date of this Agreement, will be effective to add to or modify the terms of this Agreement or alter the relationship of the parties, regardless of any party's (or its personnel's) acceptance of or agreement to such terms by electronic or other means.

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(i) Survival. The Sections regarding confidentiality, liability limitations, third-party proceedings, indemnification, dispute resolution and any such terms that by their nature should survive shall survive any termination of this Agreement.

16. Tax Terms and Conditions. This Section 16 is applicable to all Tax Services provided under this Agreement.

(a) Reportable Transactions. Taxpayers are required to disclose their participation in certain types of transactions ("Reportable Transactions") on forms filed with their federal income tax returns and/or with the IRS Office of Tax Shelter Analysis, and with agencies of certain states (or, in some cases, foreign jurisdictions) that impose similar requirements. Failure to adhere to Reportable Transaction disclosure and filing requirements may result in the imposition of significant penalties under applicable federal, state and/or foreign law. Grant Thornton may be a "Material Advisor" with regard to Services provided to Client and Grant Thornton may be subject to Grant Thornton's own federal and/or state reporting, registration and list maintenance obligations, which are separate and independent of any taxpayer disclosure obligation. Grant Thornton may be required to maintain and disclose to applicable federal and/or state regulatory agencies certain information regarding Client's participation in a Reportable Transaction, including Client's name and federal identification number, and other information as required.

Except as specifically stated in this Agreement, Grant Thornton does not assume any obligation to express any opinion on, provide any advice related to, or identify from any information provided by Client or obtained by Grant Thornton during the course of providing Services to Client under this Agreement, whether any particular transaction is a Reportable Transaction or the potential consequences of non-compliance with disclosure and filing requirements pertaining to a Reportable Transaction. Reliance on any opinion or advice Grant Thornton may provide regarding whether a transaction is or is not a Reportable Transaction and/or any disclosure and filing requirements may not avoid the imposition of any penalty imposed on Client under federal or state law for the failure to comply with such disclosure and filing obligations.

(b) Privileges Relating to Taxpayer Communications. Any advice given by Grant Thornton with respect to a matter that is within the scope of Grant Thornton's authority to practice before the IRS may be privileged under federal and state laws. This privilege may be asserted in any non-criminal tax matter before the IRS and in any non-criminal tax proceeding in Federal court and may be asserted to the extent such communication would be considered privileged communication if it were between a taxpayer and an attorney. At Client's sole cost and expense, Grant Thornton will cooperate with Client's efforts to assert taxpayer privileges when Grant Thornton receive a demand or inquiry for Client's information to the extent required by law.

(c) Conditions of Confidentiality Not Imposed. Notwithstanding anything to the contrary herein, Grant Thornton imposes no conditions of confidentiality on any information it provides to Client to the extent that it concerns the tax structure or tax treatment of any transaction.

(d) No Responsibility to Update. Tax Deliverables will be based on Grant Thornton's interpretation of the federal and state laws, regulations, administrative and judicial pronouncements, and other relevant authorities, in effect when Grant Thornton provides the Tax Deliverables. All of these authorities are subject to change, and such change may be retroactive or prospective in effect. Grant Thornton assumes no responsibility to either advise Client of, or to update conclusions, for changes in respect to federal and state laws, regulations, administrative and judicial pronouncements, and other relevant authorities expressly set forth in this Agreement and applicable law.

(e) Tax Deliverables. Client is authorized to provide Tax Deliverables to taxing jurisdictions with respect to tax filings contemplated in a SOW.



Newport-Mesa Unified School District

Statement of Work for Tax Compliance Services

Effective Date: November 10, 2021

This Statement of Work ("Statement of Work") becomes a part of and is subject to the terms and conditions of the Agreement between Newport-Mesa Unified School District ("Client") and Grant Thornton LLP ("Grant Thornton") of the same effective date as this Statement of Work.

The purpose of this Statement of Work is to describe the scope of services ("Services") Client is requesting Grant Thornton to perform, and to set forth the agreed fee, timing and other matters related to the Services. Any capitalized terms that are not defined in this Statement of Work shall have the meanings in the Agreement.

The Services Grant Thornton will provide

Core Services

The core services we will provide to you consist of actuarial and benefits advisory services related to your postemployment benefits other than pensions (OPEB) plan for the fiscal years ending June 30, 2022 through June 30, 2025. Specifically, Grant Thornton shall provide the following actuarial valuation and consulting services related to compliance with GASB accounting and financial reporting for your OPEB plan:

- Grant Thornton shall assist you by providing actuarial valuations and consulting services related to all plans identified;
- Facilitate the selection of reasonable actuarial assumptions for purposes of GASB compliance;
- Develop annual costs and net obligations for financial reporting purposes;
- Present results to the relevant audience within your group telephonically;
- Prepare written actuarial valuations including a summary documenting the results under GASB;
- Responding to annual audit questionnaire, including telephonic discussion, as needed.

Delivering the services

Grant Thornton will discuss with Client an appropriate timeline for providing the Services described above, including an agreed upon timeframe for completion and delivery. Grant Thornton will provide Client with a request for information required to complete the Services based on the mutually agreed timeline.

Grant Thornton's responsibility under this Statement of Work extends only to Services and Deliverables expressly agreed to provide herein, including any addendums to this Statement of Work. Grant Thornton's responsibility does not extend to any prior or subsequent periods and does not include, for example, studies, detailed research or analysis not specifically set forth in this Statement of Work. If such items arise or Client requests additional services, Grant Thornton will provide a fee estimate and a new Statement of Work before investing significant professional time.

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The parties enter into this Statement of Work at a time when a national emergency has been declared and the nation is responding to the Coronavirus (COVID-19) pandemic. Grant Thornton will use reasonable efforts to complete the Services as specified herein, while also taking the steps it deems necessary to protect the health, welfare and safety of its professionals. Neither party shall be liable for any delay or failure in performance (excluding payment for fees and expenses incurred) due to circumstances resulting from the pandemic which are beyond its reasonable control.

U.S. federal and state tax laws are ever changing and complex. Grant Thornton is only engaged to provide Services expressly set forth in this Statement of Work in accordance with applicable professional standards. Such obligation expressly does not include any obligation or responsibility to identify, suggest, model or advise on tax minimization or deferral opportunities, including but not limited to any such matters that may arise from the recently enacted CARES Act or other legislation or regulatory guidance. Grant Thornton welcomes the opportunity to further discuss Client's tax and business objectives.

All engagements undertaken by Grant Thornton are subject to evaluating and resolving any potential or actual conflict of interest or independence concerns. While the occurrence is highly unusual, matters may arise from the ordinary course of either party's business operations, requiring Grant Thornton to resolve a conflict matter and/or terminate or suspend this engagement until any conflict or independence issue is resolved.

Additionally, Grant Thornton may use third parties to provide administrative and operational support to Grant Thornton business operations. All of these third-party service providers are subject to confidentiality obligations to protect the confidentiality of client data. Such entities may be located within or outside the United States.

To acknowledge consent to the disclosure of Client tax return information as set forth above, please sign this Statement of Work.

Fees and payment terms

Fees

The fees for the Services under the Statement of Work will be as follows:

Description	Fixed Fee
Fiscal Year End 2022 (full valuation)	\$11,250
Fiscal Year End 2023 (interim valuation)	\$6,300
Fiscal Year End 2024 (full valuation)	\$11,750
Fiscal Year End 2025 (interim valuation)	\$6,600

Payment schedule

The billings for the Services described in this Statement of Work will be rendered as follows:

Description	Amount to be billed
Fiscal Year End 2022 Advanced Fee	\$5,625
Fiscal Year End 2022 Progress Bill	\$5,625



Fiscal Year End 2023	\$6,300
Fiscal Year End 2024 Advance Fee	\$5,875
Fiscal Year End 2024 Progress Bill	\$5,875
Fiscal Year End 2025	\$6,600

If applicable, Grant Thornton may bill Client for reasonable direct, out-of-pocket expenses, including but not limited to, travel, lodging, overtime meals, and similar expense items.

The fixed fees above include an administrative recovery fee equal to 3.5 percent (%) of fees for the administrative time incurred on this engagement.

Grant Thornton's billings are payable upon receipt.

From time to time, Grant Thornton may receive certain incentives in the form of bonuses and rewards from its corporate card and other vendors. Such incentives to the extent received will be retained by Grant Thornton to cover firm expenses.

Client is solely responsible for any applicable taxes related to the Services. Where the Services are subject to U.S. state and local sales, use, VAT or gross receipts taxes, Grant Thornton will collect such taxes from Client in addition to the fees outlined above and remit such taxes to the proper jurisdictions.

Entire agreement

This Statement of Work represents the parties' entire understanding with respect to the Services described in this document. This Statement of Work does not modify or amend the Agreement. In the event of a conflict between this Statement of Work, Attachment A – Standard Grant Thornton LLP Terms and Conditions, and any other exhibit or attachment included in the Agreement, the terms of the Attachment A shall govern.

Agreed and accepted

The undersigned hereby agree to the terms and conditions as set forth.

GRANT THORNTON LLP

DocuSigned by:

 FA16AE8BF28541E

Philip Bonanno, Managing Director

11/12/2021 | 12:14 PM CST
 Date: _____

NEWPORT-MESA UNIFIED SCHOOL DISTRICT

 Jeff Trader, Executive Director, Chief Financial Officer

Date: _____

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

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