



Moving Forward

## MEMO

### Bullitt County Public Schools

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1040 Highway 44 East  
Shepherdsville, Kentucky 40165

502-869-8000  
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[www.bullittschools.org](http://www.bullittschools.org)

TO: Becky Sexton, Assistant Superintendent for Support Services

FROM: Lisa Lewis, Director of Finance *Lewis*

DATE: June 27, 2018

RE: Engagement Letter-Smith CPA

Attached is the engagement letter with Smith CPA to perform a 941 reconciliation. Eric Farris has reviewed the engagement letter. I ask for approval of this engagement with Smith CPA.

*Becky Sexton*



Bullitt Co Board of Education  
1040 Hwy 44 E  
Shepherdsville, KY 40165

Dear Lisa Lewis:

Re: Engagement Letter for 941 reconciliation

Thank you for selecting our accounting firm, Smith CPA and Advisors PLLC, to assist you with 941 reporting and reconciliation. We are sending you this engagement letter to confirm the terms of, and limitations upon the services that our accounting firm has agreed to perform on behalf of the **Bullitt Co Board of Education** hereafter referred to as "**Board**".

We will conduct our work in accordance with the Publication 15, Circular E, Employer's Tax Guide published by the IRS; in force at the time of our work. We will review the 941 return filed in April 2018 for the first quarterly tax return and compare to payroll reports to identify discrepancies. Once discrepancies are identified, we will work directly with Lisa Lewis to make corrections. Making corrections may require direct access to MUNIS accumulators. Upon the completion of this engagement, the Board's financial officer shall disable the assigned account for our firm to disallow access.

You should know that these services do not contemplate obtaining an understanding of your internal controls, testing accounting records and responses to inquiries, obtaining corroborating evidentiary matters, or carrying out other procedures that are ordinarily performed during an audit or review. This means we do not provide assurance that we will become aware of all significant matters that would be disclosed in an audit or review. Rather, these services are substantially less in scope than an audit or review. Therefore, we will not issue a report as a result of this engagement.

You are responsible for adopting sound accounting policies, for maintaining an adequate and efficient accounting system, for authorizing transactions and retaining supporting documentation for those transactions, and for devising a system of internal controls that will, for example, help assure the preparation of proper financial statements and tax reporting forms. We assume no managerial capacity for you through this engagement. For example, we do not act as your director, financial officer, or controller and we incur no responsibility or liability for managerial decisions.

You also remain responsible for the design and implementation of programs and controls to prevent and detect fraud, embezzlement, or any other wrongdoing. In addition, you remain responsible for identifying and ensuring that the Board complies with applicable laws and regulations.

We will complete our engagement as promptly as possible. We cannot predict exactly when we will finish. If you need our work product by a specific date, please notify us in writing.

Our fees will be based upon the amount of time required at our standard billing rates of \$100 per hour. All invoices are due and payable upon presentation. We will bill monthly and billings become delinquent if not paid within 60 days of the invoice date. If billings are past due in excess of 90 days, we will stop all work until your account is brought current or withdraw from this engagement.



If any dispute arises between the parties, from our professional services, or under this engagement letter, the parties agree – as a condition precedent to filing suit – to first submit the dispute to non-bonding mediation administered by an agreed-upon third party. At the mediation, the parties agree to make a good faith attempt to settle the dispute. The accounting firm (and its personnel) will together pay half the cost of the mediation, and the claimants shall pay the other half.

We reserve the right to withdraw from the engagement. If we do withdraw from the engagement, we will send you a final progress billing, and we will then have no further obligation to complete the professional services. You agree to pay the entire outstanding balance, including the final progress billing.


In no event shall Smith CPA and Advisors PLLC be liable to the Board, whether a claim be in tort, contract, or otherwise, for any consequential, indirect, lost profit or similar damages relating to Smith CPA and Advisors PLLC's services provided under this engagement letter, except to the extent finally determined to have resulted from the willful misconduct fraudulent behavior or professional malpractice of Smith CPA and Advisors PLLC relating to such services.

We store information electronically and will communicate with you and others via email. We will take appropriate and customary measures to ensure data security and client confidentiality. However, as electronic information can be stolen, and emails intercepted or otherwise disclosed by third parties, we cannot guarantee that information will be absolutely secure. In that regard, you agree that we shall have no liability for any claim, loss or damage arising from the disclosure of confidential or proprietary information, unless a result of our professional malpractice. We agree to provide you with a copy of our professional errors and omissions insurance coverage upon request.

If any part or provision of this agreement should be held void or invalid, the remaining provisions shall remain in full force and effect.

If the foregoing is in accordance with your understanding, please sign the copy of this letter in the space provided and return it to us. Thank you for this opportunity to serve you.

Very truly yours:

  
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Amy M. Smith  
Smith CPA and Advisors PLLC  
4101 Bates Creek Centre Dr  
Suite 150-PMB 190  
Lexington, KY 40517  
859-309-7722

Date 6-26-18

Bullitt Co Board of Education:

\_\_\_\_\_  
Authorized Signature

Printed Name: Deborah Atherton

Date 6/27/18

