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MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
FLORIDA INSTITUTE OF CERTIFIED
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October 31, 2018

To the Board of Trustees of Florida West Coast Operating
Engineers Apprenticeship Trust Fund
c/o Associated Administrators, LLC
911 Ridgebrook Rd.
Sparks, MD 21152

Re: Agreed-upon Procedures

Dear Trustees:

This letter confirms our mutual understanding with respect to the engagement of Gramling and Haya, CPAs, PA (hereinafter “firm”, “we”, or “us”) by Florida West Coast Operation Engineers Apprenticeship Trust Fund (hereinafter “client” or “you”) to provide professional services in connection with payroll audits, to specify the terms of our engagement and to clarify the nature and extent of the services we will provide. [The term “client” includes the “client” and its management.]

We will apply the agreed upon procedures which Florida West Coast Operating Engineers Apprenticeship Trust Fund has specified listed in the schedule of payroll audit procedures. This engagement is solely to assist you with verifying employers’ payroll and will be conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely your responsibility. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which the report has been requested or for any other purposes. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or we will not issue a report as a result of this engagement.

Our engagement will be designed to perform the following agreed-upon procedures as specified in your document “Payroll Audit Procedures”.

Our engagement is limited in scope and will be confined to our agreed-upon procedures. We have no obligation to perform any procedures beyond those listed. We will not be conducting an audit or review of the financial statements of Florida West Coast Operating Engineers Apprenticeship Trust Fund, and therefore we will not express an opinion or any other form of assurance on them.

At the end of our engagement, we will submit a report listing the procedures performed and our findings. The report is intended solely for the use of the Trustees and should not be used by anyone else for any other purpose. Our report will include a statement indicating if we performed additional procedures or other matters that might have come to our attention that should be reported to you. Accordingly, using this report for anything other than the original intent of the agreed-upon

procedures could mislead the readers. You must notify us immediately if the original users of the report change.

The client shall upon the receipt of written notice indemnify and hold the firm and its affiliates, and their partners, principals, and personnel, harmless against all costs, fees, expenses, damages, and liabilities (including legal defense costs) associated with any third-party claim arising from or relating to any misrepresentation to firm by the Client or the withholding or concealment of information from the firm by the client. In addition, the Client shall upon receipt of written notice indemnify and hold the firm and its affiliates, and their partners, principals and personnel, harmless against all punitive damages associated with any third-party claim arising from or relating to: (i) any services, work product, or deliverables from the firm that the Client or its management uses or discloses to others; or (ii) this engagement generally. The terms of this paragraph shall apply regardless of the nature of any claim asserted (including those arising from contract law, statutes, regulations, or any form of negligence of the Client, whether arising out of tort, strict liability, or otherwise) and whether or not the firm was advised of the possibility of the damage or loss asserted. These terms shall also continue to apply after any termination of this agreement by either party and during any dispute between the parties.

With respect to any services, work product, or other deliverables hereunder, or this engagement generally, the firm's liability to the Client shall in no event exceed the fees that it receives for the portion of the work giving rise to liability, nor shall the firm's liability include any special, consequential, incidental, or exemplary damages or loss, including any lost profits, savings, or business opportunity.

The limitation on liability provisions of this engagement letter will apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise. The parties' agreements and undertakings contained in this engagement letter, such as those pertaining to the limitation on liability, will survive the completion or termination of this engagement. The parties agree that their rights and obligations hereunder will be construed and governed under the laws of the Florida.

Either party may terminate this engagement, with or without cause, by providing written notice to the other party. In the event of early termination for any reason, the client will be invoiced and agrees to remit payment for time and expenses incurred up to the end of the notice period together with reasonable time and expenses incurred to bring the engagement to a close in a prompt and orderly manner. Neither the client nor the firm shall have any liability to the other for any loss or consequential damage arising from early termination by either the client or the firm.

J. Michael Gramling is the engagement partner for the services specified in this letter. His responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the report.

Prior to preparation and execution of this engagement letter, we discussed with you the fact that we provide clients with attest and accounting services, as well as services specifically focused on identifying and addressing weaknesses in internal controls (internal control review), and on searching for the existence of fraud within your company (fraud audit). We further explained the

additional costs associated with such different levels of service. After consideration of such services, you have informed us that you wish to retain us to perform only the agreed upon procedures services described in this letter.

Our engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations, which may exist. However, we will inform you of any such matters that come to our attention. Further, our engagement is not designed to provide assurance on internal controls or to identify reportable conditions, that is, significant deficiencies or material weaknesses in the design or operation of internal control. Accordingly, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal control as part of this engagement, and our engagement cannot be relied upon to disclose the same. However, during the procedures, if we become aware of such reportable conditions, we will communicate them to you.

By your signature below, you acknowledge that you are responsible for management decisions and functions. That responsibility includes designating qualified individuals with the necessary expertise to be responsible and accountable for overseeing all the services we perform (e.g., agreed-upon procedures, bookkeeping services, payroll services, tax services, prospective financial statements, profit sharing plan services, etc.) as part of this engagement, as well as evaluating the adequacy and results of the services performed. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

To facilitate the timely completion of the engagement contemplated in this letter, you authorize us to send to or receive from you certain information, including correspondence via electronic means (i.e., email, Sharefile, etc.). This authorization extends to the electronic transmission of information to or from any third parties we may engage to assist us in the completion of the engagement. The text of such correspondence, as well as any attachments thereto such as draft or final financial statements or other documents, may contain information of a sensitive nature. We represent to you that we have made a good faith effort to ensure that the security of our information technology infrastructure and our policies and procedures for handling client information meet customary standards. However, due to the inherent limitations of currently available security systems, we cannot provide absolute assurance that any information transmitted to or from us via electronic means will not be compromised as a result of unauthorized access to our files. As such, you agree to hold us harmless with respect to any loss you may suffer as a result of such compromise.

All documentation for this engagement remains the property of firm and constitutes confidential information.

All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis. In the event we receive a subpoena or summons requesting that we produce documents from this engagement or testify about the engagement, we will notify you prior to responding to it if we are legally permitted to do so. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate to protect information from discovery. If you take no action within the time permitted for us to respond or if

your action does not result in a judicial order protecting us from supplying requested information, we may constitute your inaction or failure as consent to comply with the request. Time incurred in connection with subpoenas, and/or other related legal matters involving you, and or your account(s), will be billed at our normal per diem rates.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Our fees for this work will be at our regular hourly rates of \$100 per hour plus direct out-of pocket expenses. Payment for service is due when rendered, and interim billings may be submitted as work progresses and expenses are incurred. Billings become delinquent if not paid within 30 days of the invoice date. If billings are not paid within 30 days of the invoice date, at our election, we may stop all work until your account is brought current, or we may withdraw from this engagement. You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of a failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable for any damages that occur as a result of our ceasing to render services.

At the conclusion of this engagement, we will return all original records you supplied to us. Company records are the primary records for the operations and comprise the backup and support for financial reports and tax returns. Our records and files are our property and are not a substitute for your own records. Our firm destroys our client files and all pertinent work papers after a retention period of 7 years, after which time these items will no longer be available. Catastrophic events or physical deterioration may result in our firm's records being unavailable. You should make and retain copies of original records given to us which may be needed after our retention period (e.g. basis information, agreements). By your signature below, you acknowledge and agree that upon the expiration of the 7 year period the firm shall be free to destroy our records relating to this engagement.

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.

We are looking forward to working with you on this engagement.

Very truly yours,


J. Michael Gramling, CPA
Gramling and Haya, CPAs, PA

APPROVED AND AUTHORIZED:

(Client Representative)

(Client Name)

Date: _____