

(ATTACHMENT 4) ACTION ON THE AWARD OF PROFESSIONAL SERVICES CONTRACTS

Purchase Requisition Number: CR050863
Contract Number: C029472
Vendor Number: V006288

MILWAUKEE BOARD OF SCHOOL DIRECTORS
PROFESSIONAL SERVICES CONTRACT
SECOND MODIFICATION

On April 1, 2020, the Milwaukee Board of School Directors and Baker Tilly US, LLP (formerly Baker Tilly Virchow Krause, LLP) entered into Professional Services Contract number C029472 ("Contract"), with a term of July 1, 2020 through June 30, 2021. The parties modified the Contract in November 2020 (the "First Modification").

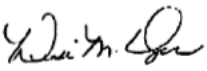
In accordance with ¶ 20 of the Contract, the parties now modify those terms and conditions identified below.

MODIFIED TERMS:

- 1. Paragraph 1 of the Contract is modified to include the following provision: "Contractor shall provide review of Form ED 506 and related documentation as detailed in the "Second Engagement Letter", which is attached hereto as "Exhibit B" and incorporated by reference."

CONTRACTOR

MILWAUKEE BOARD OF SCHOOL DIRECTORS

By: 

By: 
Martha Kreitzman
Chief Financial Officer

Date: March 4, 2021

Date: 4-23-2021

Baker Tilly US, LLP
777 E. Wisconsin Ave, 32nd Floor
Milwaukee, WI 53202
(414) 777-5423

By: Not Required
Keith P. Posley, Ed.D.
Superintendent of Schools

Tax ID: [REDACTED]

Date: _____

Budget code(s):
SCF-0-0-CTG-DW-EAUS-ECTS \$799,590.00
ADT-0-A-1Ax-OB-EAUS-ECTS \$150,000.00
SCF-0-0-CTG-DW-EAUS-ECTS \$15,000

By: Not Required
Larry Miller, President
Milwaukee Board of School Directors

Date: _____

Reviewed By: 
Risk Management

Date: 5/21/21



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bakertilly.com

March 4, 2021

Ms. Martha Kreitzman
Milwaukee Public Schools
5225 W. Vliet Street
Milwaukee, Wisconsin 53208

Dear Ms. Kreitzman:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your accountants and business advisors.

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for Milwaukee Public Schools (the Company, Client, you, your).

The purpose of this letter (the "Second Engagement Letter") is to confirm our understanding of the terms and objectives of this engagement and the nature of the services we will provide as consultants of the District. This Second Engagement Letter is subject to the terms of the Professional Services Contract, Contract Number C029472, entered between the parties dated April 1, 2020 (hereinafter "Contract"), and is intended to modify the scope of services of the Contract to include this engagement.

Services and Related Report

We currently expect to perform the agreed upon procedures listed in Appendix A that were specified and agreed to by Milwaukee Public Schools and the Office of Indian Education (specified parties) on Form ED 506 (subject matter) of Milwaukee Public Schools (responsible party) in accordance with the requirements of the grant award notification and the proper completion of the student eligibility forms for the years ended June 30, 2018, 2019 and 2020. (criteria)

We expect to issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to Milwaukee Public Schools and the Office of Indian Education. You understand that the report is intended solely for the information and use of the specified parties, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. If, for any reason, we are unable to complete any of the procedures, or if we determine in our professional judgment the circumstances necessitate, we will describe in our report any restrictions on the performance of the procedures, or may withdraw and decline to issue a report as a result of this engagement.

Our Responsibilities and Limitations

Our engagement to apply agreed upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed is solely the responsibility of the specified parties and we will require an acknowledgment of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose.

Baker Tilly US, LLP, trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

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Because the agreed upon procedures listed in Appendix A do not constitute an examination or review, we will not express an opinion or conclusion on the Form ED 506. In addition, we have no obligation to perform any procedures beyond those listed in Appendix A.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the Form ED 506 that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the Form ED 506, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

Management's Responsibilities

You are responsible for the subject matter and that it is in accordance with the criteria; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the subject matter. In addition, you are 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 Form ED 506, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the Form ED 506 in accordance with the criteria.

If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Nonattest Services

Prior to or as part of our engagement, it may be necessary for us to perform certain nonattest services.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.

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- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

Timing and Fees

We plan to begin our procedures as soon as we receive the necessary information and, unless unforeseeable problems are encountered, the engagement should be completed by April 19, 2021. Completion of our work is subject to, among other things, (i) appropriate cooperation from the Company's personnel, including timely preparation of necessary schedules and (ii) timely responses to our inquiries. When and if for any reason the Company is unable to provide such schedules, information and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the engagement.

Our fee for the agreed upon procedures noted in Appendix A are expected to not exceed \$15,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and, after written notice to you of such overdue amounts, remains unpaid during a cure period of seven (7) days. Work will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the Company agrees to be responsible for all expenses of collection including related attorneys' fees.

In addition to our professional fees, out-of-pocket expenses for direct engagement support including travel and subsistence, production of reports and other direct engagement expenses will be billed separately at our cost and stated separately on our invoices, subject to your prior written approval. Our fees are based upon attestation standards established by the American Institute of Certified Public Accountants that have been issued and are effective as of the date of this letter. Should additional standards be issued subsequent to, or become effective for, the periods covered by this engagement, our fees will be adjusted accordingly.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use third-party service providers (e.g., to act as a specialist, etc.) in serving your account. We may share confidential information about you with these service providers, but are committed to maintaining the confidentiality and security of your information.

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To the extent the services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the services described herein.

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at dataprotectionofficer@bakertilly.com.

Baker Tilly does not treat de-identified data or aggregate consumer information as personal data or personal information, and we reserve the right to convert Client personal data or personal information into de-identified data or aggregate consumer information for our own purposes. As a benefit of benchmarking your Company to others in your industry, you allow us to enter your confidential accounting and/or financial data into the third party benchmarking software that we utilize. By signing this Second Engagement Letter, you expressly authorize us to make such disclosure of your confidential accounting and/or financial data, as we may elect within our discretion, with the understanding that, in doing so, you will not be specifically identified.

Any additional services that may be requested, and we agree to provide, may be the subject of separate arrangements.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the Company, unless otherwise prohibited. In the event we are requested by the Company or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the Company, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

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Limitation on Damages and Indemnification – see Section 6 of the Contract.

Other Matters

The documentation for this engagement, including the working papers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records; so we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the Company's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the Company hereby authorizes us to do so.

Baker Tilly and the Company acknowledge that, at the time of the execution of this Second Engagement Letter, federal, state and local governments, both domestic and foreign, have restricted travel and/or the movement of their citizens due to the ongoing and evolving situation around COVID-19. In addition, like many organizations and companies in the United States and around the globe, Baker Tilly has restricted its employees from travel and onsite work, whether at a client facility or Baker Tilly facility, to protect the health of both Baker Tilly and its clients' employees. Accordingly, to the extent that any of the services described in this Second Engagement Letter requires or relies on personnel to travel and/or perform work onsite, then Baker Tilly and the Company acknowledge and agree that when the performance of such work depends on physical access to Client's facilities, then such work may be supplanted with alternative procedures, or may be delayed, significantly or indefinitely and/or suspended at Baker Tilly's discretion. Baker Tilly and the Company agree to provide the other with prompt written notice in the event any of the onsite services described herein, such as inventory observations and other procedures, will need to be supplanted, rescheduled and/or suspended. Baker Tilly and the Company also acknowledge and agree that any delays or workarounds due to the situation surrounding COVID-19 may increase the cost of the services described herein. Baker Tilly will obtain the Company's prior written approval for any increase in the cost of Baker Tilly services that may result from the situation surrounding COVID-19.

Neither this Second Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Second Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Second Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees to Baker Tilly, it is hereby agreed that the Company will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly US, LLP for a period of twelve (12) months following the date of conclusion of this engagement. If the Company violates this nonsolicitation clause, the Company agrees to pay to Baker Tilly a fee of equal to the hired individual's new annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

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Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

The provisions of this Second Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Second Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Second Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the Company's status or due to any other reason, any provision in this Second Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Wisconsin, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.


If there are any questions regarding the Engagement Letter, please contact Wendi M. Unger, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and for determining that the engagement has been completed in accordance with professional standards. Wendi M. Unger is available at 414.777.5423 or wendi.unger@bakertilly.com.

Sincerely,

BAKER TILLY US, LLP

Baker Tilly US, LLP

The services and terms as set forth in this Engagement Letter are agreed to by:



Officer signature

Martha Kreitzman

Chief Financial Officer

4-23-2021

Date

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APPENDIX A

Agreed-Upon Procedures

We currently expect to perform the following procedures agreed to by the specified parties:

1. Obtain all completed ED-506 forms for the school years ended June 30, 2018 (282 forms), 2019 (430 forms) and 2020 (416 forms) from District personnel.
2. Verify that a ED-506 form exists for the number of students claimed for the student count period for each school year ended as noted above.
3. Verify validity of ED-506 form for each student claimed for the student count period for each school year ended as noted above. Valid ED-506 forms are complete, signed and dated.