

# *Sharmayne Sikora*

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Certified Public Accountant

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To the Board of Directors  
Fresno Free College Foundation  
Fresno, California, 93744

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services I will provide.

I will perform the following services:

1. I will compile, from information you provide, the statement of assets, liabilities, and net assets—cash basis and the related statement of revenues, expenses, and other changes in net assets—cash basis statement of changes in net assets by fund—cash basis and the additional information of detail statements of revenues, expenses and other changes in net assets—cash basis for each fund of Fresno Free College Foundation for the year ended August 31, 2011, and issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

The objective of a compilation is to assist you in presenting financial information in the form of financial statements. I will utilize information that is your representation without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with the cash basis of accounting.

You are responsible for:

- a. the preparation and fair representation of the financial statements in accordance with the cash basis of accounting.
- b. designing, implementing, and maintaining internal control relevant to the preparation and fair representation of the financial statements.
- c. preventing and detecting fraud.
- d. identifying and ensuring that the company complies with the laws and regulations applicable to its activities.

- e. making all financial records and related information available to me and for the accuracy and completeness of that information.

I will conduct my compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical procedures, or other procedures performed in a review. Additionally, a compilation does not contemplate obtaining an understanding of the entity's internal control; assessing fraud risk; tests of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, the examination of source documents (for example, cancelled checks or bank images); or other procedures ordinarily performed in an audit. Accordingly, I will not express an opinion or provide any assurance regarding the financial statements being compiled.

My engagement cannot be relied upon to disclose errors, fraud, or other illegal acts. However, I will inform the appropriate level of management of any material errors and of any evidence or information that comes to my attention during the performance of our compilation procedures that fraud may have occurred. In addition, I will inform you any evidence or information that comes to my attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. I have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

If, for any reason, I am unable to complete the compilation of financial statements, I will not issue a report on such statements as a result of this engagement.

2. I will also

- a. prepare the federal tax return with supporting schedules.
- b. prepare any state income tax returns requested.
- c. prepare any bookkeeping entries that I find necessary in connection with preparation of the income tax returns.

You are responsible for making all management decisions and performing all management functions, and for designation an individual who possesses suitable skill, knowledge, or experience to oversee any bookkeeping services, tax services, or other services I provide. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

I am the engagement partner and am responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

You will be billed at an hourly rate of \$125/hour for my services, \$75/hour for my staff assistant's services, and \$45/hour for any clerical assistance needed. If significant time is necessary, I will discuss it with you before I incur additional costs. Fees will be billed monthly and are payable within 30 days.

I 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 me know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to me.

Sincerely,

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Sharmayne Sikora, CPA

Acknowledged:  
Fresno Free College Foundation

\_\_RW\_\_\_\_\_  
EXECUTIVE DIRECTOR

\_\_\_\_12-01-2011\_\_\_\_\_  
DATE

NOTE: Original with signatures on file at FFCF Offices