



Certified Public Accountants, LLP

Robert M. Armstrong, CPA
Jessica A. Knowles, CPA
Mitch T. Saul, CPA
George W. Wilber, CrFA, CPA
Kari J. Ott, CPA
Cara R. Wilber, CPA

Arlie W. Oster, CPA (1931-1998)

AUDIT CONTRACT

February 21, 2014

Board of Directors
Morrow County School District No. 1
Heppner, Oregon

This contract, made this _____ day of _____, 2014, in accordance with the requirements of Oregon Revised Statutes 297.405 through 297.555 between Oster Professional Group, CPA's, LLP (OPG) of John Day, Oregon, and Morrow County School District No. 1 (the district) provides as follows:

- 1) It hereby is agreed that OPG shall conduct an audit of the accounts and fiscal affairs of the district for the period beginning July 1, 2013 and ending June 30, 2014 in accordance with Minimum Standards for Audits of Oregon Municipal Corporations as prescribed by law. The audit shall be undertaken in order to express an opinion upon the financial statements of the district and to determine if the district has substantially complied with appropriate legal provisions.
- 2) OPG agrees that the services it has contracted to perform under this contract shall be rendered by it or under its personal supervision and that the work will be faithfully performed with care and diligence.
- 3) It is understood and agreed that, should unusual conditions arise or be encountered during the course of the audit whereby the services of OPG are necessary beyond the extent of the work contemplated, written notification of such unusual conditions shall be delivered to the district who shall instruct in writing OPG concerning such additional services, and that a signed copy of each notification and instruction shall be delivered immediately to the Secretary of State by the party issuing the same.
- 4) The audit shall be started as soon after this contract is executed as is agreeable to the parties hereto and shall be completed and a written report thereon delivered within a reasonable time, but not later than six months after the closing of the audit period covered by this contract. Adequate copies of such report shall be delivered to the district and its form and content shall be in accordance with and not less than that required by the Minimum Standards for Audits of Oregon Municipal Corporations.

101 NE First Avenue, John Day, Oregon 97845
Phone (541) 575-2717 FAX (541) 575-2718
Toll free 1-877-2OPGCPA
www.opgcpa.com

- 5) It is understood and agreed that the district is responsible for such financial statements as may be necessary to fully disclose and fairly present the results of operations for the period under audit and the financial condition at the end of that period. Should such financial statements not be prepared and presented within a reasonable period of time, it is understood that OPG shall draft them for the district. The cost of preparing such financial statements shall be in addition to the fee for conducting the audit as set forth in paragraph 7 below.
- 6) It is understood and agreed that either party may cancel this contract by giving notice in writing to the other party at least ninety days prior to July 1 of any year.
- 7) In consideration of the faithful performance of the conditions, covenants, and undertakings herein set forth the district hereby agrees to pay OPG the sum of \$24,280 and the district hereby affirms that proper provision for the payment of such fee has been or will be duly made and that funds for the payment thereof are or will be made legally available.

Oster Professional Group, CPA's, LLP

By: *Robert W. Frutkin*

Morrow County School District No. 1

By: _____
Board Chairperson