

STATEMENT OF WORK

ALBERT LEA AREA SCHOOLS (ISD 0241), MN

JULY 14, 2026

This Statement of Work ("Statement of Work" or "SOW") is issued pursuant to the Master Services Agreement (the "Master Services Agreement" or "Consulting MSA") dated July 14, 2026 between Albert Lea Area Schools (ISD 0241), MN ("Client," "you," and "your") and Baker Tilly Advisory Group, LP ("Baker Tilly," "we," "us," and "our"), and incorporates all terms and conditions thereof as if fully set forth herein. This Statement of Work is effective as of the date set forth above and confirms our acceptance and understanding of the nature and scope of our engagement, the limitations of the Services, and the responsibilities of Baker Tilly and Client in connection therewith. This SOW and the Consulting MSA are made part of the Agreement, as set forth in the Consulting MSA. Any capitalized terms not defined herein shall have the meaning set forth in the Consulting MSA.

Summary of Services

Our services to you under this engagement (the "Services") will include the following:

Financial Management Report

- Analyze historical financial performance, including revenues, expenditures, and budget variances.
- Evaluate fund balances for compliance and capital availability, including recommended transfers.
- Assist with annual budgeting and capital planning using Client and engineer input.
- Assess current rates and provide findings, recommendations, and ongoing support to Client staff.

Financial Advisory

- Two virtual meetings per month (minimum) with the Superintendent to provide mentorship and coaching that supports the Superintendent's ability to provide leadership and support for the Finance Department, including but not limited the following tasks: previewing monthly tasks for various financial functions, preparation of the budget proposal to the superintendent and school board, providing resource information, developing budget timelines, and reviewing budget closeout processes. As needed, the consultant will also interact with the Controller and members of the Finance Department staff to gather information on the status of the district's financial performance and processes and to serve as a thought partner for decisions impacting school finances;
- E-mail support as needed;
- Phone conference support as needed;
- Analyze a monthly cash flow report;
- Levy application to Minnesota Department of Education (MDE)
- Health & Safety Portal MDE reporting
- Review Preliminary and Final Levy Reports developed by MDE

- Career & Technical Education Financial Reporting
- Truth In Taxation Reporting
- Review enrollment and enrollment projections;
- Review Census
- Update ADMWE portal on MDE website
- Transportation MDE Portal reporting
- Review Facilities Square Footage Report and update MDE portal
- Multi-year financial forecast
- Review Staffing Negotiations data files as loaded by the district
- Review various contracts as needed
- Review and submit Form 8038 to IRS for QZAB Bond
- Review Audit report
- Certify Single Audit report to fac.gov
- Outstanding Debtedness Report for County
- Review Summer School Food Service Program application and CEP applications in Clicks
- Access to financial software (SmartFinance, and others) will be made available by the district to Baker Tilly. Confidentiality of data (financial, student data and other) will be adhered to by Baker Tilly.

Your Assistance

It is your responsibility to provide all the information required for the performance of the services outlined in the *Summary of Services* above. You agree to bring to our attention any matters that may reasonably be expected to require further consideration. You also agree to bring to our attention any changes in the information as originally provided to us as soon as such information becomes available.

You represent that the information you are supplying to us is accurate and complete to the best of your knowledge and is supported by records as required by law. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you to clarify some of the information. **To the extent the information that you provide is incorrect, incomplete or has other errors, we are not responsible for how those errors impact the correctness of our work product.**

Baker Tilly's services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. Baker Tilly will not perform any management functions or make management decisions for Client in connection with this engagement.

In addition, you agree to perform the following in connection with these non-attest Services:

- Make all management decisions and perform all management functions and assume all management responsibilities.

- Oversee the Services by designating one or more individuals, preferably within senior management, who possess the skill, knowledge and/or experience to oversee the Services performed. Such an individual is not required to possess the expertise to perform or reperform the Services.
- Evaluate the adequacy and results of the Services performed.
- Accept responsibility for the results of the Services.

It is our understanding that the Client has or will designate an appropriate person to oversee our Services and that, in the opinion of the Client, such person is qualified to oversee the Services as outlined above. If any issues or concerns in this area arise during the course of our engagement, we will discuss them with you prior to continuing with the engagement.

Fees

The hourly rate for services provided under this SOW will be \$360. Baker Tilly will notify Client if the services provided under this SOW are not expected to exceed \$65,000. The fee will be a monthly flat rate of \$5,417.00 from July 2026 through June 30, 2027.

Payment of professional fees is not contingent upon project completion by Client nor material timing changes in project completion. Professional fees provided according to the Scope are due within 30 days of being invoiced, regardless of project status. If necessary, monthly payment plan arrangements may be negotiated upon request.

Additional Fees

The amount of our fee for services is based on the assumption that we will receive the complete information and assistance as detailed in this Agreement on a timely basis. In the event we believe an additional fee is required as the result of an unforeseen difficulty in completing the engagement, a change in the underlying facts or law or your failure to provide complete information and timely assistance, we will inform you promptly and agree on a revised fee with you at that time.

ACCEPTED AND AGREED:

The undersigned hereby executes this SOW on behalf of the party indicated with full authority to do so.

Baker Tilly Advisory Group, LP

Albert Lea Area Schools (ISD 0241), MN

By:

Name:

Title:

Date:

By:

Name: Dr. Steven Heil

Title: Superintendent

Date: 7/20/2020