



May 5, 2023

To the Board of Directors,  
Polk County Workforce Development, Inc.:

**RE: Lease Standard ASC 842 Implementation Services and Increased Audit Services for the Fiscal Year Ended June 30, 2023**

We are pleased to provide the Polk County Workforce Development, Inc. (the Board) with assistance in the implementation of Lease Standard ASC 842 (the Standard) for the fiscal year ended June 30, 2023. In addition, due to the implementation of ASC 842, there will be additional one-time and recurring audit costs. This letter confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide as it relates to assistance with the implementation of the Standard. This engagement between you and our firm will be governed by the terms of this letter.

**Engagement Objectives**

Our understanding of the services being contemplated include assisting the Board in its implementation of the Standard for the fiscal year ended June 30, 2023 and the increased audit work in relation to the Standard. The services to be provided under this agreement will include the following:

1. Assistance with the development and adoption of a lease accounting policy.
2. Assistance with the identification and documentation of the Board's basis for incorporating or excluding any variable activity (options, renewals, etc.) in a lease.
3. Calculation and summarization of the applicable payment schedules for all identified leases, including the present value calculations for purposes of calculating the lease asset, liability, or deferred inflow.
4. Preparation of journal entries/adjustments to properly reflect the Board's lease activity.
5. Initial preparation of all required note disclosures related to the implementation of the Standard for the Board's financial Standards for the fiscal year ended June 30, 2023.

**Scope and Fees**

Regardless of the level additional assistance provided by us for the lease calculation and summarization; the scope of the audited financial Standards has substantially changed. The level of additional assistance needed is based on our discussions and preliminary understanding of the Board's identified leases. Our fees to provide the above additional audit and non-audit assistance for the year ended June 30, 2023 is listed below:

**June 30, 2023** – \$5,000  
**June 30, 2024** – \$2,500  
**June 30, 2024** – \$2,500  
**June 30, 2024** – \$2,500

**Your Responsibilities**

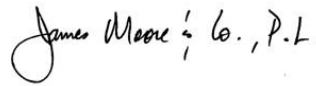
You are responsible for all management decisions and responsibilities and for designating an individual (Stacy Campbell-Domineck and Gerardo Meza), with suitable skills, knowledge, and experience to oversee our assistance in this engagement and all other non-attest services that we provide. You are responsible for: accepting responsibility for the results of the services performed, including decisions regarding implementation of any recommendations provided by us; making all management decisions and performing all management functions; evaluating the adequacy and results of the services performed; and establishing and maintaining internal controls as well as monitor ongoing activities.

With regard to specific roles and activities in the Board’s implementation of the Standard, you are responsible for:

- Identifying leases and/or potential leases.
- Making final determinations related to subjective assumptions surrounding lease options, renewals, and other variable activity impacting the final lease asset and liability calculations.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our proposal. If you have any questions, please let us know. If you agree with the terms of our proposal as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



JAMES MOORE & CO., P.L.

**RESPONSE:**

This letter correctly sets forth the understanding of the Polk County Workforce Development, Inc.

By: Stacy Campbell-Domineck

Title: President & CEO

Date: 06/01/2023