

# Azusa Unified School District

## Statement of Work for Actuarial Services

**Effective Date:** April 8, 2022

This Statement of Work (“Statement of Work”) becomes a part of and is subject to the terms and conditions of the Agreement between Azusa Unified School District (“Client”) and Grant Thornton LLP (“Grant Thornton”) dated April 8, 2022.

The purpose of this Statement of Work is to describe the scope of services (“Services”) Client is requesting Grant Thornton to perform, and to set forth the agreed fee, timing and other matters related to the Services. Any capitalized terms that are not defined in this Statement of Work shall have the meanings in the Agreement.

### The Services Grant Thornton will provide

#### Core Services

The core services we will provide to you consist of actuarial and benefits advisory services related to your postemployment benefits other than pensions (OPEB) plan for the fiscal years ending June 30, 2022 through June 30, 2025. Specifically, Grant Thornton shall provide the following actuarial valuation and consulting services related to compliance with GASB accounting and financial reporting for your OPEB plan:

- Grant Thornton shall assist you by providing actuarial valuations and consulting services related to all plans identified;
- Facilitate the selection of reasonable actuarial assumptions for purposes of GASB compliance;
- Develop annual costs and net obligations for financial reporting purposes;
- Present results to the relevant audience within your group telephonically;
- Prepare written actuarial valuations including a summary documenting the results under GASB;
- Responding to annual audit questionnaire, including telephonic discussion, as needed.

### Delivering the services

Grant Thornton will discuss with Client an appropriate timeline for providing the Services described above, including an agreed upon timeframe for completion and delivery. Grant Thornton will provide Client with a request for information required to complete the Services based on the mutually agreed timeline.

Grant Thornton’s responsibility under this Statement of Work extends only to Services and Deliverables expressly agreed to provide herein, including any addendums to this Statement of Work. Grant Thornton’s responsibility does not extend to any prior or subsequent periods and does not include, for example, studies, detailed research or analysis not specifically set forth in this Statement of Work. If

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such items arise or Client requests additional services, Grant Thornton will provide a fee estimate and a new Statement of Work before investing significant professional time.

The parties enter into this Statement of Work at a time when a national emergency has been declared and the nation is responding to the Coronavirus (COVID-19) pandemic. Grant Thornton will use reasonable efforts to complete the Services as specified herein, while also taking the steps it deems necessary to protect the health, welfare and safety of its professionals. Neither party shall be liable for any delay or failure in performance (excluding payment for fees and expenses incurred) due to circumstances resulting from the pandemic which are beyond its reasonable control.

U.S. federal and state tax laws are ever changing and complex. Grant Thornton is only engaged to provide Services expressly set forth in this Statement of Work in accordance with applicable professional standards. Such obligation expressly does not include any obligation or responsibility to identify, suggest, model or advise on other opportunities. Grant Thornton welcomes the opportunity to further discuss Client's tax and business objectives.

All engagements undertaken by Grant Thornton are subject to evaluating and resolving any potential or actual conflict of interest or independence concerns. While the occurrence is highly unusual, matters may arise from the ordinary course of either party's business operations, requiring Grant Thornton to resolve a conflict matter and/or terminate or suspend this engagement until any conflict or independence issue is resolved.

Additionally, Grant Thornton may use third parties to provide administrative and operational support to Grant Thornton business operations. All of these third-party service providers are subject to confidentiality obligations to protect the confidentiality of client data. Such entities may be located within or outside the United States.

To acknowledge consent to the disclosure of Client tax return information as set forth above, please sign this Statement of Work.

## Fees and payment terms

### Fees

The fees for the Core Services under the Statement of Work will be:

\$9,100 for fiscal year ending 2022

\$5,500 for fiscal year ending 2023

\$9,800 for fiscal year ending 2024

\$5,900 for fiscal year ending 2025

If applicable, Grant Thornton may bill Client for reasonable direct, out-of-pocket expenses, including but not limited to, travel, lodging, overtime meals, and similar expense items.

The fixed fees above include an administrative recovery fee equal to 2.5 percent (%) of fees for the administrative time incurred on this engagement.

**Payment schedule**

The billings for the Core Services described in this Statement of Work will be rendered as follows:

<b>Description</b>	<b>Month billed</b>	<b>Amount to be billed</b>
Fiscal Year End 2022 Valuation Advanced Fee	May 2022	\$4,550
Fiscal Year End 2022 Valuation Progress Bill	July 2022	\$4,550
Fiscal Year End 2023 Valuation Bill	July 2023	\$5,500
Fiscal Year End 2024 Valuation Advanced Fee	May 2024	\$4,900
Fiscal Year End 2024 Valuation Progress Bill	July 2024	\$4,900
Fiscal Year End 2025 Valuation Bill	July 2025	\$5,900

Grant Thornton’s billings are payable upon receipt.

From time to time, Grant Thornton may receive certain incentives in the form of bonuses and rewards from its corporate card and other vendors. Such incentives to the extent received will be retained by Grant Thornton to cover firm expenses.

Client is solely responsible for any applicable taxes related to the Services. Where the Services are subject to U.S. state and local sales, use, VAT or gross receipts taxes, Grant Thornton will collect such taxes from Client in addition to the fees outlined above and remit such taxes to the proper jurisdictions.

**Entire agreement**

This Statement of Work represents the parties’ entire understanding with respect to the Services described in this document. This Statement of Work does not modify or amend the Agreement. In the event of a conflict between this Statement of Work, Attachment A – Standard Grant Thornton LLP Terms and Conditions, and any other exhibit or attachment included in the Agreement, the terms of the Attachment A shall govern.

**Agreed and accepted**

The undersigned hereby agree to the terms and conditions as set forth.

**GRANT THORNTON LLP**

\_\_\_\_\_ Date: \_\_\_\_\_  
 Philip Bonanno, Managing Director

**AZUSA UNIFIED SCHOOL DISTRICT**

\_\_\_\_\_ Date: \_\_\_\_\_  
 Shannon Norris, Director of Fiscal Services