



Linda Elementary School
"Committed to Excel through Respect and Academics"
March 26, 2013

The 2012-13 school year has been a busy and productive year at Linda Elementary School. The level of commitment from the Linda staff is demonstrated on a daily basis in serving our six hundred seventy-three students.

This year, Linda School began the implementation of our WIN (What I Need) Program in grades second through sixth. During a thirty minute period, our designated English Language Learners receive targeted instruction in developing their English speaking, listening, reading, and writing skills. The goal is that all of our EL students are reclassified prior to moving on to middle school. The rest of our students are placed in classrooms where they receive interventions based on CST and district benchmark assessments. During WIN, all of the staff at Linda School support students. This has resulted in a deepened commitment and vested interest of the academic progress of our students.

We continue to recognize that early intervention is necessary for student success. Our three para-professionals provide small group intervention in kindergarten and first grade classrooms. Students that qualify for Indian Education tutoring are provided one-on-one and small group support in mastering grade level standards. One hundred twenty-five students participate in the SES tutoring services after school. Time carved out for teachers to collaborate and analyze testing data enables us to evaluate whether the intervention strategies are effective and what needs to be adjusted so that all of our students may achieve academic success.

The Linda School staff actively participates in professional development opportunities. In October, the staff extended their knowledge of Ruby Payne's *"A Framework for Understanding Poverty"* by exploring Payne's *"Research Based Strategies ~ Narrowing the Achievement Gap for Under-Resourced Students."* The EL Leadership team attended the district sponsored SIOP conference in January. Next, the team received an overview from a SCOE consultant, Lois Mendoza, in differentiating between an English Language Arts program and English Language Development Program. Lois Mendoza also led the teachers in a Common Core performance task process for them to be aware of what their students will be required to do once Common Core is in place in our school district. Of all the professional development opportunities that the Linda staff participated in this year, the Strengths Finder kick off was a welcomed experience! The teachers and support staff are eagerly learning about their own strengths and how those strengths can be better utilized and appreciated in the school environment.

Continuing to address the safety of our school community continues to be a priority at Linda School. School perimeter gates are kept locked during the school day and visitor check in procedures are implemented and enforced. We have posted new signs at the parent pick-up and drop off area. The signs have made a big improvement with traffic flow and the safety of our families. Emergency procedures are practiced and adjustments are made as necessary.

This year, Linda School held a Meet & Greet Barbeque in August. This gave our parents and students an opportunity to meet teachers and know the location of their classrooms prior to the first day of school. It also set the tone for an inclusive school year where parents were encouraged to be involved in the children's education. Linda School also added a parent education component sponsored by Victim Witness. The following topics were featured: *Children-the Challenge; Mutual Respect Discipline; Teaching Respect at Home; Encouraging Your Children to Learn.* Linda School continues to facilitate a well attended monthly "Family Reading Night." Parents also attend our trimester school rallies where we celebrate our students' successes.

The quick pace at Linda Elementary School is framed by caring individuals who truly care and strive to make a positive difference and connection with our children and their families.

March 4, 2013

MJUSD
Personnel Dept.

MAR 11 2013

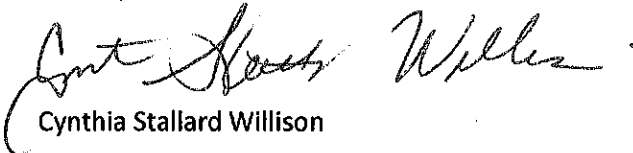
Ramiro Carreon

RECEIVED

Re: Letter of Resignation

I am writing this letter to inform you that I will be resigning instead of being terminated from my current position as a Special Education Teacher at Lindhurst. My last day will be March 22, 2013.

Thank you,


Cynthia Stallard Willison

Cc: Bob Eckardt

March 7, 2013

MJUSD
Personnel Dept.

To: Ramiro Carreon

MAR 07 2013

Re: Retirement plans for end of 2012-13 school year

RECEIVED

Dear Ramiro,

I am informing you of my intent to retire from teaching at the conclusion of this school year. I intend to request the early retirement incentive to include the healthcare package from the district.

Let me know anything that you need from me regarding this process.

Sincerely,

A handwritten signature in cursive script that reads "Jac Cummings". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Jac Cummings (John Cummings)

Marysville High School Science

March 3, 2013

MJUSD
Personnel Dept.

MAR 04 2013

Dear Ramiro,

RECEIVED

As we discussed, I will be retiring on June 14, 2013. I have completed my STRS application. I have appreciated my years with Marysville Jt. Unified School District.

Sincerely,

Judi McKeehan

Mr. Carreon,

As you are aware I applied for disability retirement which has been approved as of March 5, 2013. I would like to apply for the early retirement incentive to include my medical insurance.

I appreciate the opportunity to have worked with such dedicated educators and students within the district. It was an experience I treasure.

Sincerely,
Sharyn Deal

MJUSD
Personnel Dept.

MAR 01 2013

RECEIVED

RECORDING REQUESTED BY:

AND WHEN RECORDED MAIL TO:

Marysville Joint Unified School District
Facilities Construction Management Dept.
1919 B Street
Marysville, CA 95901

NOTICE OF COMPLETION

NOTICE is hereby given, that **Mark Allgire**, the undersigned and agent to the **Marysville Joint Unified School District**, situated in the County of Yuba, State of California, described as follows and to wit:

HVAC Retrofit
P13-00479 Job 8102

Johnson Park Elementary School – 4364 Lever Avenue, Olivehurst, CA 95961


That Marysville Joint Unified School District, owner of said land, did on the 10th day of July 2012, entered into a contract with **BRCO Constructors, Inc. for all work related to HVAC improvements, related plumbing, electrical and related sitework to the above site** upon the land above described;

That on the 7th day of March 2013, the said contract or work or improvements, as a whole, was actually completed by the said **BRCO Constructors, Inc., PO Box 367, Loomis, CA 95650**:

That the name and address of all the owner's of said property are as follows:

Marysville Joint Unified School District
1919 B Street, Marysville, CA 95901
County of Yuba, State of California

and the nature of owner's title to said property is fee simple.


Mark Allgire
Assistant Superintendent, Business Services

State of California

County of **YUBA**

Subscribed and sworn to (or affirmed) before me on this 12th day of March 2013, by **Mark Allgire**, proved to me on the basis of satisfactory evidence to be the person who appeared before me.


Notary Public Signature



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Crowe Horwath LLP
Independent Member Crowe Horwath International
400 Capitol Mall, Suite 1200
Sacramento, California 95814-4434
Tel 916.441.1000
Fax 916.441.1110
www.crowehorwath.com

March 13, 2013

Mr. Mark Allgire
Marysville Joint Unified School District
1919 B Street
Marysville, California 95901

Dear Mr. Allgire:

This letter confirms the arrangements for Crowe Horwath LLP ("Crowe" or "us" or "we" or "our") to provide the professional services discussed in this letter to Marysville Joint Unified School District ("the District" or "you" or "your") for the years ending June 30, 2013, 2014 and 2015. The attached Crowe Engagement Terms is an integral part of this letter, and its terms are incorporated herein.

AUDIT SERVICES

Our Responsibilities

We will audit and report on the financial statements of the governmental activities, the business-type activities (if applicable), the aggregate discretely presented component units (if applicable), each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the District for each of the periods indicated.

In addition to our report on the financial statements, we plan to evaluate the presentation of the following supplementary information in relation to the financial statements as a whole, and to report on whether this supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

- District Organization
- Schedule of Average Daily Attendance
- Schedule of Instructional Time
- Schedule of Expenditures of Federal Awards
- Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements
- Schedule of Financial Trends and Analysis
- Schedule of Charter Schools (if applicable)

In addition to our report on the financial statements, we also plan to perform specified procedures in order to describe in our report whether the following required supplementary information is presented in accordance with applicable guidelines. However, we will not express an opinion or provide any assurance on this information due to our limited procedures.

- Management's Discussion and Analysis
- Budgetary Comparison Schedules
- Schedule of Funding Progress (Pension and/or OPEB)

The objective of the audit is the expression of an opinion on the financial statements. We will plan and perform the audit in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996, and the provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards require that we obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement whether caused by error or fraud, and that we report on the Schedule of Expenditures of Federal Awards (as noted above), and on your compliance with laws and regulations and on its internal controls as required for a Single Audit. Because of inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with applicable standards. An audit is not designed to detect error or fraud that is immaterial to the financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks that the financial statements could be misstated by an amount we believe would influence the financial statement users. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In making our risk assessments, we consider internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. However, we will communicate in writing to those charged with governance and management concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. We will communicate to management other deficiencies in internal control identified during the audit that have not been communicated to management by other parties and that, in our professional judgment, are of sufficient importance to merit management's attention. We will also communicate certain matters related to the conduct of the audit to those charged with governance, including (1) fraud involving senior management, and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, (2) illegal acts that come to our attention (unless they are clearly inconsequential) (3) disagreements with management and other significant difficulties encountered in performing the audit and (4) various matters related to the District's accounting policies and financial statements. Our engagement is not designed to address legal or regulatory matters, which matters should be discussed by you with your legal counsel.

We expect to issue a written report upon completion of our audit of the financial statements. Our report will be addressed to The Board of Trustees of the District. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph, or withdraw from the engagement.

In addition to our report on the financial statements and supplementary information, we plan to report on:

- Compliance with State Laws and Regulations
- The Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*
- The Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

We will also perform tests of controls including testing underlying transactions, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of your major federal awards programs. We will determine major programs in accordance with OMB Circular A-133. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed. We will inform you of any deficiencies or other matters involving internal control, if any, as required by OMB Circular A-133.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of your compliance with applicable laws, regulations, contracts and grants. However, because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us. The objective of our audit of compliance relative to the financial statements will not be to provide an opinion on overall compliance with such provisions, and we will not express such an opinion. We will advise you, however, of any matters of that nature that come to our attention, unless they are clearly inconsequential.

OMB Circular A-133 requires that we plan and perform the audit to obtain reasonable assurance about whether you have complied with certain provisions of laws, regulations, contracts and grants. Our procedures will consist of the applicable procedures described in the OMB Circular A-133 Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of your major programs. The purpose of our audit will be to express an opinion on your compliance with requirements applicable to major Federal award programs. Because an audit is designed to provide reasonable assurance, but not absolute assurance, the audit is not designed to detect immaterial violations or instances of noncompliance.

Our audit and work product are intended for the benefit and use of the District only. The audit will not be planned or conducted in contemplation of reliance by any other party or with respect to any specific transaction and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party. Our reports on internal control and compliance will each include a statement that the report is intended for the information and use of management, The Board of Trustees, specific legislative or regulatory bodies, and federal awarding agencies, and if applicable, pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

The working papers for this engagement are the property of Crowe and constitute confidential information. However, we may be requested to make certain working papers available to your oversight agency or grantors pursuant to authority given to them by law, regulation, or contract. If requested, access to such working papers will be provided under the supervision of our personnel. Furthermore, upon request, we may provide photocopies of selected working papers to your oversight agency or grantors. The working papers for this engagement will be retained for a minimum of three years after the date our report is issued or for any additional period requested by the oversight agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the working papers.

Government Auditing Standards require that we provide you with a copy of our most recent peer review report, which accompanies this letter.

The District's Responsibilities

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation and maintenance of internal control

relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud. The District's management is also responsible for complying with applicable laws, regulations, contracts and grants and such responsibility extends to identifying the requirements and designing internal control policies and procedures to provide reasonable assurance that compliance is achieved. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings, which should be available for our review, and a corrective action plan.

Management has the responsibility to adopt sound accounting policies, maintain an adequate and efficient accounting system, safeguard assets, and design and implement programs and controls to prevent and detect fraud. Management's judgments are typically based on its knowledge and experience about past and current events and its expected courses of action. Management's responsibility for financial reporting includes establishing a process to prepare the accounting estimates included in the financial statements.

Management is responsible for providing to us, on a timely basis, all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters. Management is also responsible for providing such other additional information we may request for the purpose of the audit, and unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. Additionally, those charged with governance are responsible for informing us of their views about the risks of fraud within the District, and their knowledge of any fraud or suspected fraud affecting the District.

Management is responsible for adjusting the financial statements to correct material misstatements related to accounts or disclosures. As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit, including that the effects of any uncorrected misstatements aggregated by us during the audit are immaterial, both individually and in the aggregate, to the financial statements and to compliance with the requirements of its Federal programs. Because of the importance of management's representations to an effective audit, you agree to release Crowe and its personnel from any liability and costs relating to our services under this letter attributable to any misrepresentations by management.

Management is responsible for the preparation of the supplementary information identified above in accordance with the applicable criteria. As part of our audit process, we will request from management certain written representations regarding management's responsibilities in relation to the supplementary information presented, including but not limited to its fair presentation in accordance with the applicable criteria, the method of measurement and presentation and any significant assumptions or interpretations underlying the supplementary information. In addition, it is management's responsibility to include the auditor's report on supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information. It is also management's responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the District of the supplementary information and the auditor's report thereon.

Management is responsible for the preparation of the required supplementary information identified above in accordance with the applicable guidelines. We will request from management certain written representations regarding management's responsibilities in relation to the required supplementary information presented, including but not limited to whether it has been measured and presented in accordance with prescribed guidelines, the method of measurement and presentation and any significant assumptions or interpretations underlying the supplementary information.

At the conclusion of the engagement, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of thirty days after receipt of the auditor's reports or nine months after the end of the audit period.

FEES

Our fees, including out-of-pocket expenses, will not exceed \$42,300 for each of the years ending June 30, 2013, 2014 and 2015, respectively. Our invoices are due and payable upon receipt. Invoices that are not paid within 30 days of receipt are subject to a monthly interest charge of one percent per month or the highest interest rate allowed by law, whichever is less, which we may elect to waive at our sole discretion, plus costs of collection including reasonable attorneys' fees. If any amounts invoiced remain unpaid 30 days after the invoice date, you agree that Crowe may, in its sole discretion, cease work until all such amounts are paid or terminate this engagement. In accordance with the requirements of Education Code Section 14505, the District will not be required to pay the final 10% of this amount until the current year audit report has been accepted by the State Controller's Office.

Circumstances may arise under which we must perform additional work and, thus, require additional billings for our services. Examples of such circumstances include, but are not limited to:

- Changing audit requirements
- New professional standards or regulatory requirements
- New financial statement disclosures
- Work caused due to the identification of, and management's correction of, inappropriate application of accounting pronouncements
- Erroneous or incomplete accounting records
- New or unusual transactions
- Failure of your staff to prepare information in a timely manner
- Numerous revisions to your information
- Lack of availability of appropriate District personnel during audit fieldwork

Additionally, to accommodate requests to reschedule audit fieldwork without reasonable notice, additional billings for our services could be required, and our assigned staffing and ability to meet agreed-upon deadlines could be impacted.

Our fee assumes that we will be provided with auditable financial statements for all funds at year end, that all bank accounts and investment accounts will be reconciled through the end of the year being audited to the trial balances, that interfund and transfer accounts will balance, that subsidiary ledgers will reconcile to the general ledger, that beginning fund equity amounts will be reconcilable to prior year audited ending fund equity and that the District will have recorded full-accrual entries to the District's accounts in order to prepare government-wide financial statements in accordance with GASB Statement No. 34. We assume that the District will cooperate with our requests for information such as explanations of account activity.

Mr. Mark Allgire
Marysville Joint Unified School District
March 13, 2013
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Additionally, we assume the District will provide a copy of the capital assets ledger including current year additions and dispositions and depreciation by functional expense. We assume that requested records such as invoices, contracts, grant agreements and supporting documentation will be located and provided to us. We also assume the District will prepare confirmation letters and the MD&A section of the report.

Our fee does not include implementation of any other future accounting or auditing pronouncements and/or government requirements that may change, thus, the scope or amount of auditing necessary to complete our engagements may increase beyond what is currently anticipated. Should such events occur, we would present you with our estimate of any possible increase prior to beginning our audit for the given year. An equitable adjustment in the proposed fee will be negotiated if the cost of time required for performance of the audit service is increased or decreased pursuant to a change in scope of the audit requested by the District or required by State or Federal regulations.

When we become aware of circumstances which impact the amount or scheduling of our work, we will issue, for your approval, a formal change order detailing the reason and the anticipated impact of the change.

* * * * *

Mr. Mark Allgire
Marysville Joint Unified School District
March 13, 2013
Page 7

This engagement letter and the attached Crowe Engagement Terms reflect the entire agreement between us relating to the services covered by this letter. The headings included in this letter are to assist in ease of reading only; the letter and attachment are to be construed as a single document, with the provisions of each section applicable throughout. This agreement may not be amended or varied except by a written document signed by both parties. It replaces and supersedes any other proposals, correspondence, agreements and understandings, whether written or oral, relating to the services covered by this letter. The agreements of the District and Crowe contained in this engagement letter shall survive the completion or termination of this engagement. If any term hereof is found unenforceable or invalid, this shall not affect the other terms hereof, all of which shall continue in effect as if the stricken term had not been included. This agreement shall be interpreted and construed under, and governed by the internal laws of the State of Illinois, without regard for choice of law principles.

If the terms of this letter and the attached Crowe Engagement Terms are acceptable to you, please sign and date below and return a copy of this letter at your earliest convenience. If you have any questions, please contact Steven Wescoatt at (916) 441-1000.

Very truly yours,

Crowe Horwath LLP

By: 

Crowe Horwath LLP and the Engagement Authorized Signer above are licensed by the California Board of Accountancy.

I have reviewed the arrangements outlined above and in the attached Crowe Engagement Terms, and I accept on behalf of the District the terms and conditions as stated.

Marysville Joint Unified School District

Authorized Representative of the District's Management:

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Crowe Engagement Terms

We want you to understand the basis under which we offer our services to you and determine our fees, as well as to clarify the relationship and responsibilities between your organization and ours. These terms are part of our engagement letter and apply to all future services, unless a specific engagement letter is entered into for those services. We specifically note that no advice we may provide should be construed to be investment advice. Each of these terms shall survive and apply after termination of this agreement.

YOUR ASSISTANCE - For us to provide our services effectively and efficiently, you agree to provide us timely with the information we request and to make your employees available for our questions. You will also provide our personnel with access to the Internet (if available). The availability of your personnel and the timetable for their assistance are key elements in the successful completion of our services and in the determination of our fees. Completion of our work depends on appropriate and timely cooperation from your personnel; complete, accurate, and timely responses to our inquiries; and timely communication by you of all significant accounting and financial reporting matters of which you are aware. If for any reason this does not occur, a revised fee to reflect the additional time or resources required by us will be mutually agreed upon, and you agree to hold us harmless against all matters that arise in whole or in part from any resulting delay.

If circumstances arise that, in our professional judgment, prevent us from completing this engagement, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue other work product or withdrawing from the engagement.

THIRD-PARTY PROVIDER - We may use a third-party service provider in providing professional services to you which may require our sharing your confidential information with the provider. If we use a third-party service provider, we will enter into a confidentiality agreement with the provider to require them to maintain the confidentiality of your confidential information. The terms of our engagement letter and these engagement terms shall apply to any third-party provider.

CONFIDENTIALITY - We will maintain the confidentiality of your confidential information in accordance with professional standards. You agree not to disclose any confidential material you obtain from us without our prior written consent, except to the extent such disclosure is an agreed objective of this engagement. Your use of our work product shall be limited to its stated purpose and to your business use only. We retain the right to use the ideas, concepts, techniques, industry data, and know-how we use or develop in the course of the engagement. You agree to the use of fax, email, and voicemail to communicate both sensitive and non-sensitive matters; provided, however, that nonpublic personal information regarding your customers or consumers shall not be communicated by unencrypted email.

CHANGES - We may periodically communicate changes in laws, rules, or regulations to you. However, you have not engaged us to and we do not undertake an obligation to advise you of changes in laws, rules, regulations, industry or market conditions, your own business practices, or other circumstances, except to the extent required by professional standards.

PUBLICATION - You agree to obtain our specific permission before using our report or our firm's name in a published document, and you agree to submit to us copies of such documents to obtain our permission before they are filed or published.

NO PUNITIVE OR CONSEQUENTIAL DAMAGES - Any liability of Crowe to you shall not include any special, indirect, consequential, incidental, punitive, or exemplary damages or loss nor any lost profits, savings, or business opportunity.

LIMIT OF LIABILITY - The provisions of this section establishing a limit of liability will not apply if, as determined in a judicial proceeding, we performed our services with gross negligence or willful misconduct. Our engagement with you is not intended to shift risks normally borne by you to us. With respect to any services or work product or this engagement in general, the liability of Crowe and its personnel shall not exceed the fees we receive for the portion of the work giving rise to liability. A claim for a return of fees paid shall be the exclusive remedy for any damages. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted. This limitation of liability shall also apply after termination of this agreement.

INDEMNIFICATION FOR THIRD-PARTY CLAIMS - The provisions of this section for indemnification will not apply if, as determined in a judicial proceeding, we performed our services with gross negligence or with willful misconduct. Our engagement with you is not intended to shift risks normally borne by you to us. In the event of a legal proceeding or other claim brought against us by a third party, you agree to indemnify and hold harmless Crowe and its personnel against all costs, fees, expenses, damages, and liabilities, including defense costs and legal fees, associated with such third-party claim arising from or relating to any services or work product that you use or disclose to others or this engagement generally. This indemnification is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted. This indemnification shall also apply after termination of this agreement.

NO TRANSFER OR ASSIGNMENT OF CLAIMS - No claim against Crowe, or any recovery from or against Crowe, may be sold, assigned or otherwise transferred, in whole or in part.

TIME LIMIT ON CLAIMS - In no event shall any action against Crowe arising from or relating to this engagement letter or the services provided by Crowe relating to this engagement be brought after the earlier of 1) two (2) years after the date on which occurred the act or omission alleged to have been the cause of the injury alleged; or 2) the expiration of the applicable statute of limitations or repose.

RESPONSE TO LEGAL PROCESS - If we are requested by subpoena, other legal process, or other proceedings to produce documents pertaining to you and we are not a named party to the proceeding, you will reimburse us for our professional time, plus out-of-pocket expenses, as well as reasonable attorney fees we incur in responding to such request.

MEDIATION - If a dispute arises, in whole or in part, out of or related to this engagement, or after the date of this agreement, between you or any of your affiliates or principals, and Crowe, and if the dispute cannot be settled through negotiation, you and Crowe agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. The results of mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation shall be shared equally by both parties.

JURY TRIAL WAIVER - FOR DISPUTES LITIGATED IN ANY FORUM OTHER THAN CALIFORNIA STATE COURT -- For all matters not brought in California state court, the parties agree to waive a trial by jury to facilitate judicial resolution and to save time and expense. Each party agrees that it has had the opportunity to have its legal counsel review this waiver. This waiver is irrevocable, may not be modified either orally or in writing, and shall apply to any subsequent amendments, renewals, or modifications to this Agreement. In the event of litigation, this Agreement may be filed as written consent to a trial by court.

FOR DISPUTES LITIGATED IN CALIFORNIA STATE COURT - Following mediation, all claims, causes of action or other disputes concerning this engagement (each a "Claim"), including questions of law or fact relating thereto, shall upon either party's request be determined by judicial reference pursuant to the California Code of Civil Procedure ("Reference"). The parties shall select a single neutral referee, who shall be an attorney who is also a certified public accountant. In the event that the parties cannot agree upon a referee, the referee shall be appointed by the court, but such referee shall be an attorney who is also a certified public accountant. The referee shall report a statement of decision to the court. Nothing in this paragraph shall limit the right of any party at any time to cease work or otherwise exercise or obtain self-help or provisional remedies. The parties shall bear the fees and expenses of the referee equally. The referee shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph. The parties acknowledge and agree that the Claims will not be adjudicated by a jury.

LEGAL AND REGULATORY CHANGE - The scope of services and the fees for the services covered by the accompanying letter are based on current laws and regulations. If changes in laws or regulations change your requirements or the scope of our work, you and we agree that our fees will be modified to a mutually agreed-upon amount to reflect the changed level of our effort.

NON-SOLICITATION - You and we acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement and for one year after its expiration or termination, neither party will solicit any personnel of the other party for employment without the written consent of the other party. If an individual becomes an employee of the other party, the other party agrees to pay a fee equal to the individual's compensation for the prior full twelve-month period to the original employer.

AFFILIATES - Crowe Horwath LLP ("Crowe") is an independent member of Crowe Horwath International, a Swiss verein. Each member firm of Crowe Horwath International is a separate and independent legal entity. Crowe and its affiliates are not responsible or liable for any acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International. Crowe Horwath International does not render any professional services and does not have an ownership or partnership interest in Crowe. Crowe Horwath International and its other member firms are not responsible or liable for any acts or omissions of Crowe and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe.

NOTIFICATION OF NON-LICENSEE OWNERSHIP - Crowe Horwath LLP ("the Firm") and certain owners of the Firm are licensed by the California State Board of Accountancy. However, the Firm has owners not licensed by the California State Board of Accountancy who may provide client services under this agreement. If you have any questions regarding licensure of the personnel performing services under this engagement, please do not hesitate to contact us.

AICPA Peer Review Program
Administered by the
National Peer Review Committee

December 17, 2010

Charles Allen, CPA
Crowe Horwath LLP
One Mid America Pl Ste 700
Oakbrook Terrace, IL 60181

Dear Mr. Allen:

It is my pleasure to notify you that on December 9, 2010, the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is December 31, 2013. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,



Betty Jo Charles
Chair—National PRC

cc: Jeff Brown, CPA

Firm Number: 10014904

Review Number: 311547

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System Review Report

To the Partners of Crowe Horwath LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Crowe Horwath LLP (the firm) applicable to non SEC issuers in effect for the year ended June 30, 2010. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards*, audits of employee benefit plans, and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Crowe Horwath LLP applicable to non SEC issuers in effect for the year ended June 30, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Crowe Horwath LLP has received a peer review rating of *pass*.

Moss Adams LLP

November 5, 2010