

Wenatchee Valley College Foundation

Proposal to Provide Services

March 2024



March 25, 2024

Rachel Evey, Executive Director
Wenatchee Valley College Foundation

We appreciate the opportunity to propose to provide financial statement audit and IRS Form 990 preparation services for Wenatchee Valley College Foundation.

When you choose DZA PLLC (DZA), you enlist a team of experienced professionals devoted to not-for-profit organizations and unparalleled customer service. We have a deep understanding of not-for-profit organizations, with a proven track record of providing superior accounting services in a timely manner.

Our company stands out in a multitude of ways, including:

- **Specialty:** We are nonprofit accounting and auditing specialists. DZA offers both depth and breadth of knowledge, providing you with the most up-to-date information on changing regulations.
- **Hands-on Experience:** You will know us. We provide easy and comprehensive communication throughout the process, and a presentation to management and the Board of Directors. We will stay in touch throughout the year to ensure you have the support you need to be successful.
- **Quality on Time:** Two highly experienced team members are assigned to each client to optimize your client experience. Each product we generate includes two thorough review and revision processes, providing you with the highest quality product. We carefully lay out each engagement ahead of time to guarantee timely delivery.

If you have questions or require additional information, please call me at 509.321.9469.

DZA PLLC

A handwritten signature in black ink, appearing to read 'TD' or similar initials, enclosed within a simple, hand-drawn loop.

Tom Dingus, CPA
Owner

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General Information

Contact Information

DZA PLLC

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rpatch@dza.cpa



Owner: Tom Dingus

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tdingus@dza.cpa

Organizational Overview & Qualifications

Firm Operations

DZA has provided accounting services to those within the public sector, specializing in not-for-profit organizations, since 2003. We are located in Spokane Valley, Washington, but our clients span across the states from Alaska to Texas.

Our team is comprised of seven owners, fifty-three accounting staff members, and six administrative support staff members, all of whom are versed in financial issues and niched in their knowledge to best serve your nonprofit entity. Our leadership team is comprised of owners, principals, senior managers, and select skilled managers. In every aspect of work we will do for you, at least two of our highly experienced and deeply knowledgeable leadership team will be involved, offering their insights and knowledge.

We stay up to date on not-for-profit issues through a rigorous Continuing Professional Education program, attending and presenting at conferences, and encouraging growth and learning for all our team members.

As a relatively small and closely-knit firm, we build strong relations and communication amongst one another, both among and between levels. Our trust in, and understanding of, each other's strengths translates to higher quality work; we know who is best equipped for each project.

Key Measures of Strength

We are specialists, not generalists: The public sector is who we serve as a firm. Our staff has training and experience relevant to your specific needs. DZA annually performs approximately:

- 60 not-for profit organization audits
- 90 IRS form 990 preparations
- 60 Single Audits
- 75 governmental entity audits

You will find a list of current clients with services similar to your organization in Appendix B.

An experienced auditor will be involved in each engagement: We work directly with organizations. An owner or manager who specializes in nonprofits actively participates during all stages of the process, including during planning, fieldwork, and through project delivery. Everything we produce goes through an extensive review process. You will receive a final product that has been thoroughly reviewed by two of our team members for compliance and accuracy.

An integrated team: Our engagement team will coordinate the financial statement audit and IRS Form 990 preparation as one project to minimize your resource commitment. Our integrated approach results in higher quality services. Although all team members are well-versed in a range of accounting and auditing issues related to nonprofits and the public sector, many team members choose to also specialize more closely in areas such as consulting and feasibility studies. Should, in the course of our professional relationship with you, issues arise outside of the specific knowledge of your assigned engagement team, we will happily reach out to our colleagues more closely specialized in your specific need at hand. At the end of the day, DZA is truly one firm working together to complement and enhance your team.

Strong internal quality: To ensure our own internal quality, DZA adheres to the following accountability measures:

- Each DZA professional team member receives rigorous continuing professional education (CPE), exceeding American Institute of Certified Public Accountants (AICPA) requirements.
- We participate in the essential AICPA peer review program, which gives firms a rating of pass, pass with deficiency, or fail. You will find our most recent peer review report in Appendix A. As you can see, DZA received a peer review rate of pass – the highest rating available.
- DZA is a voluntary member of the AICPA Employee Benefit Plan Audit Quality Center and the Governmental Audit Quality Center (the Centers). Joining the Centers heightens the quality standards of our work, as we adhere to the Centers' membership requirements in addition to the AICPA and State Board of Accountancy requirements.

We ask good questions: Since we work exclusively with the public sector, our questions to you during the engagement process are valuable and to the point. Our niched background lays a solid foundation of knowledge regarding the realities of running and funding not-for-profit entities. This foundation allows us to ask fewer questions of you during the process; the questions we do ask always have a specific, practical intention behind them. Often, our inquiries are to find a correct audit answer.

Open, Ongoing Communication: We strive to meet and exceed your expectations. Our approach begins with open and ongoing communication. In our experience, this results in a more effective engagement and relationship with our clients. Many clients contact us weekly to discuss issues large and small, and unless a significant project or research is requested, we do not charge for this exchange. We believe continuous communication throughout the year is necessary to provide you with high quality audit and IRS Form 990 services. Our email, Zoom/Teams, and phone lines remain open for clarifications, questions, or anything in between.

We continually have you in mind. Upon learning new and relevant information, we think of how the topic applies to our clients, passing on need-to-know updates in the ever-changing accounting realm.

Timely: Not only do we have a succinct, ironed out process we continually scrutinize for potential improvement, we innately understand the specific steps it takes to finishing a project. Because we lay out ahead of time what's necessary to complete an engagement and hold off starting a project until we have the majority of what we need, the amount of time designated to needing follow up questions is significantly reduced. This reduction minimizes unnecessary back and forth between us and you, ensuring your final product is in your hands when you need it.

Efficient: Our best practices and internal training ensure the majority of work and responsibility for the engagements lies on us, not you. With the length, breadth, and depth with which we have processed engagements in the industry, we know how to work with both speed and precision. Our team members have seen firsthand a plethora of circumstances – from the mundane to the unusual – so no matter what we come across, we have the experience and resources of our entire team to draw upon. This allows us to follow up with well-reasoned, pertinent questions that directly contribute to completing your engagement. Further, our leadership team outlines each engagement before commencing work, frequently checking in with the in-charge to ensure the project is on track.

One Firm, One Team: We view the audit and IRS Form 990 as one interconnected project, simultaneously working on all engagements for you. This also means your engagement team communicates across project types; while we have specialists for different engagements, those specialists work seamlessly as one team, helping each other truly understand your entity's intricacies.

Standout Process: Details matter. To provide you with the best product, an owner will directly interact with your engagement at all stages, from pre-planning all the way through to the presentation of the audit to your Board of Directors. Project management begins with our internal procedures and best practices, which we continually monitor and update. DZA consistently establishes a framework for your projects to ensure timely, efficient, and accurate results, tracked and reviewed throughout by the assigned management team.

Each engagement is an opportunity for extending our resources and knowledge to you. Findings are never a surprise to you; any proposed audit adjustment or internal control findings are discussed with management during the audit process to ensure management is aware of existing issues and given the opportunity to respond. Our findings are supported with documentation and explanations. Included in the audit is a management letter detailing our recommendations on accounting and administrative controls and efficiency, with suggestions on how to fine tune internal procedures. Because of the trust and respect DZA strives to build between us and our clients, the goal of these comments is to help and guide. We want you to succeed; our role in that is to use our expertise to build you up.


Organization Ownership

DZA has no foreseeable plans to merge with or acquire another CPA firm. DZA has been an independent CPA firm since its founding in 2003 and plans to continue as an independent CPA firm.

Services and Fees

Fees & Out-of-Scope Services

We strive to provide the quality you deserve at a reasonable price. Our proposed pricing for your engagements is:



Financial Statement Audit	\$	20,500	\$	21,000	\$	21,750
IRS Form 990 Preparation	\$	4,500	\$	5,000	\$	5,500

The pricing is based on the anticipated cooperation from your personnel, along with the assumption that any unexpected circumstances will not be encountered during our performance of your requested services. Pricing may be renegotiated if significant additional time or projects prove necessary. A discussion will occur before any additional costs are incurred.

Any of our out-of-pocket costs will be billed at actual cost. Travel time will be billed in addition to the above fees at hourly rates ranging from \$80 to \$180 per hour.

We do not add any information technology or other surcharges to our invoices.

Projects or research will be billed at our standard rates, which will vary based on the individual providing the services. Our standard billing rates are as follows:

Partners	\$360
Principals	\$310
Managers	\$255
Senior Accountants	\$190
Staff Accountants	\$160

As always, we welcome ongoing communication and will never charge for routine consultations or questions throughout the year.

Audit Methodology

Project Timeline: Your assigned team will carefully plan out each of your engagement projects. While preparing for your engagement, we establish a few major milestones to shape your timeline:

- **Audit Presentation:** We will provide an annual audit presentation to management and the Board of Directors at the Foundation budget and finance committee meeting.
- **Issuance Dates:** We start with the end in mind, so each engagement starts by working with management to schedule report issuance dates.
- **Completion Date:** The completion date will be scheduled for two weeks prior to the issuance dates, allowing management time to review the drafts reports.
- **Trial Balance and Requested Workpapers and Data to Us:** Once we receive these documents, we can begin the majority of the audit. The audit will begin by September.

With the general dates for a board presentation or engagement completion date established, we then work with your finance team to develop a project timeline, including when the final trial balance and requested workpapers and documentation are to be provided to us and if those agreed upon dates will allow the engagement to be completed by the issuance dates.

The engagement will be performed remotely depending on what works best for you and your organization.

At fiscal year end, we begin the process by providing you a preparation guide with the information we will need to prepare the engagement. Internal control and planning audit procedures will be performed subsequent to year end but prior to receiving the final trial balance and requested workpapers.

Once we have the final trial balance and the requested workpapers, we will schedule the remaining work with your finance team in a manner that works best for them and that will meet the expected report issuance dates.

Most organizations prefer this method of project management. With so many tasks prepared ahead of time, final fieldwork will concentrate our time and financial staff time to those tasks best accomplished through in-depth, focused time. The level of communication during fieldwork translates to fewer follow-up questions after fieldwork.

Commitment to New Technology

Secure: To facilitate the use of client data and record retention, as a firm we use paperless software, ensuring your engagements will be completed efficiently and securely.

A secure portal will be available to you for an easy, safe exchange of the data between your organization and our team. Our IT security meets all HIPAA standards and our staff understands the importance of safeguarding your data.

Remote Technology: Like many businesses, we have switched to performing many of our duties – including formal presentations with clients – to a virtual platform as needed. As such, we have developed and finely tuned our capability of video conferencing through our clients’ preferred platform for board meetings, educational meetings, or any other requested meetings. Fieldwork can be performed remotely, if desired.

Sample of Standard Contract Terms

You will find a sample of the firm’s contract terms in Appendix C.

Community Investment & Reinvestment Activities

At DZA, we believe in giving back to our community. Social responsibility – contributing positively to our community – is one of DZA’s core values. To us, being socially responsible means caring for those around us, working with mission-driven organizations as well as supporting charities.

Our employees are encouraged to engage in their community by participating in service activities and volunteer projects. DZA’s Community Day is a firm-wide initiative to get out and give back locally.

DZA’s team, Geeks in Sneaks, participates in raising funds for the MS Society and participates in their annual walk. The MS Society funds research, programming, and support services for those who live with MS.

DZA frequently volunteers with Second Harvest, Spokane Riverkeepers, Friends of the Centennial Trail, and other organizations.

References

Below you will find a selection of our client contacts at nonprofits who routinely use us for their projects.

Becky Hammill, CEO
Passages Family Support
Spokane, Washington
Telephone: 509.688.1124
E-mail: bhammill@passagesfs.org

Cal Coblentz, CEO
Spokane Valley Partners
Spokane, Washington
Telephone: 509.927.1153 x130
E-mail: calc@svpart.org

Celeste Schoenthaler, Executive Director
Olympic Community of Health
Port Hadlock, Washington
Telephone: 360.633.9241
E-mail: celeste@olympicch.org

Debra Raub, Executive Director
Communities in Schools
Spokane, Washington
Telephone: 509.413.1436
E-mail: debra@cisspokane.org

Erin Fishburn, Executive Director
Columbia Basin College Foundation
Pasco, Washington
Telephone: 509.542.4439 x 2436
E-mail: efishburn@columbiabasin.edu

Gina Drummond, CEO
Hospice of Spokane
Spokane, Washington
Telephone: 509.444.1059
E-mail:
gdrummond@hospiceofspokane.org

Jim Maxwell, CEO
Rockwood Retirement Communities
Spokane, Washington
Telephone: 509.536.6658
E-mail: jim@rockwoodretirement.org

Independence and Conflict of Interest Statements

DZA is independent of Wenatchee Valley College Foundation and any non-audit services performed by DZA for your organization will neither prejudice that independence nor be in conflict with any governing code of professional ethics.

DZA has no conflict of interest related to Wenatchee Valley College Foundation.

No complaints have been leveled by the State Board of Accountancy or any other regulatory authority against any DZA partners or staff.

The Federal Office of Inspectors General has not questioned any Uniform Guidance audit conducted by DZA.

Staffing

Tom Dingus, CPA, Owner

Industry Experience

A founding owner of DZA, Tom has worked directly with public sector organizations for over 25 years, serving their financial reporting and IRS Form 990 needs. He regularly attends various educational meetings on various relevant topics.

Education

Tom is a graduate of Central Washington University, with a bachelor's degree in accounting.

Affiliations & Activities

Tom is a former president of the Washington/Alaska Chapter of Health Financial Management Association (HFMA) and served as an officer and board member for ten years. He received HFMA's Medal of Honor in 2003 and previously had been awarded HFMA's Muncie Gold Merit Award. He has also served as a co-chair of the Spokane Chapter of the Washington Society of Certified Public Accountants' (WSCPA) not-for-profit and membership committees.

Rikki Patch, CPA, Owner

Industry Experience

With the firm since 2004 and recent owner, Rikki has over 20 years of experience working with public sector organizations, specifically serving their financial reporting and taxation needs. She serves as DZA's 990 specialist and works closely with nonprofits.

Education

Rikki received a Bachelor of Science in Business and Information Technology with an emphasis in Accounting from Montana Tech of the University of Montana, and a Master of Accountancy from the University of Montana.

Affiliations & Activities

Rikki is a member of the WSCPA and the American Institute of Certified Public Accountants (AICPA).

Luke Zarecor, CPA, Owner

Industry Experience

One of the founding owners of DZA, Luke has worked directly with public sector organizations for over 25 years, serving their financial reporting needs. He regularly attends healthcare association conferences and presents at the annual DZA seminar.

Education

Luke received both a bachelor's and master's degree in accounting from Brigham Young University.

Affiliations & Activities

Luke is a former president of the Idaho Chapter of HFMA and served as the regional executive of Region 10 for HFMA. Luke has received the Muncie Gold Merit Award from HFMA and the HFMA Founders Medal of Honor Award and is a Fellow of HFMA (FHFMA).

Shaun Johnson, CPA, Owner

Industry Experience

Shaun Johnson is an owner of DZA. With the firm since 2004, Shaun has worked with public sector organizations since 2000, specializing in their financial reporting needs. He frequently attends public sector conferences and training seminars.

Education

Shaun received a bachelor's in accounting from Whitworth University.

Affiliations & Activities

Shaun is the past-President of the Wyoming Chapter of HFMA, and in 2016 received the Follmer Bronze Merit Award from HFMA. He also is a past-President of the Spokane Chapter of the WSCPA Board of Directors and is a former chairperson of the Spokane Chapter of WSCPA Fall Series CPE Committee. In 2022, he received the Reeves Silver Merit Award from HFMA.

Kami Matzek, CPA, CHFP, Owner

Industry Experience

With DZA since 2008, Kami has over 15 years of experience working with public sector organizations, serving their financial reporting needs. She frequently speaks at DZA's annual seminar.

Education

Kami received a bachelor's degree in professional accounting from Eastern Washington University.

Affiliations & Activities

Kami is a member of, and serves as treasurer for, the Washington Alaska chapter of the HFMA, as well as a member of the WSCPA.

Clayton Batts, Senior Accountant

Industry Experience

Clayton joined DZA in 2023, bringing with him five years of previous public accounting experience. He works closely with public sector organizations and specializes in the IRS Form 990.

Education

Clayton received his Bachelor of Science in accounting from Point Loma Nazarene University.

Dan Cleveland, CPA, Manager

Industry Experience

With the firm since 2021, Dan has been working in the realm of public accounting since 2014. In his time at DZA, he has worked specifically with public sector organizations, serving their financial reporting needs.

Education

Dan received a bachelor's degree in business administration – Public Accounting from Eastern Washington University, as well as an associate degree in business from Spokane Community College.

Affiliations & Activities

Dan is a member of the WSCPA and the AICPA.

Garrett Gfeller, Manager

Industry Experience

With the firm since 2012, Garrett has over 10 years of accounting experience and works exclusively with public sector organizations.

Education

Garrett received both a bachelor's degree in business administration and a Master of Accountancy with a focus in taxation from Gonzaga University.

Affiliations & Activities

Garrett is a member of both the AICPA and the WSCPA.

Nadia Altukhov, Senior Accountant

Industry Experience

Nadia has worked closely with public sector organizations for nearly 10 years, specializing in IRS Form 990s.

Education

Nadia received a bachelor's degree in professional accounting and Financing from Eastern Washington university.

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Appendix A



Report on the Firm's System of Quality Control

To the Members of
Dingus, Zarecor & Associates PLLC
and the Peer Review Committee of
the Colorado Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Dingus, Zarecor & Associates PLLC (the firm) in effect for the year ended November 30, 2022. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of the applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Dingus, Zarecor & Associates PLLC in effect for the year ended November 30, 2022, 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*. Dingus, Zarecor & Associates PLLC has received a peer review rating of *pass*.

KraftCPAs PLLC

KraftCPAs PLLC

May 30, 2023

Appendix B

Client List

Below you will find a selected list of clients we currently serve. We have selected this list based on those organizations sharing similar engagement needs as you.

- Active4Youth
- Appleway Court
- Artesia General Hospital
- Believe in Me, a Foundation for Kids
- Bethany of the Northwest
- Bingham Memorial Hospital
- Blue Mountain Hospital – Utah
- Caribou Memorial Hospital
- Cascade Medical Center Foundation
- Children FIRST Therapy
- Clark Fork Valley Hospital
- Clearwater Valley Hospital & Clinics
- Colorado Rural Health Center
- Colville Tribal Convalescent Center
- Communities in Schools of Spokane County
- Community Hospital of Anaconda
- Confluence Health
- Coulee Medical Foundation
- Crest View South, Inc.
- Dahl Memorial Healthcare
- Diocese of Yakima
- End Violence Against Women International
- Eunice Hospital District
- EvergreenHealth, Kirkland
- Grande Ronde Hospital
- Hands of Hope
- Healthcare Management, LLC and Subsidiaries
- Hospice of Eastern Idaho
- Hospice of Spokane
- Kittitas County Health Network
- Kittitas County Public Hospital District No. 2
- Kittitas Valley Hospital Foundation
- Klickitat County Emergency Medical Services District No. 1
- Kootenai Health
- Loretto Hospital
- Mead Sports Booster Organization
- Middle Park Medical Foundation
- Moab Free Health Clinic
- Moab Regional Hospital
- Mount Spokane Wildcats Athletic Booster Club
- North Canyon Medical Center
- North Kern South Tulare Hospital District
- Northeast Montana Health Services
- Northern Cochise Community Hospital
- Olympic Community of Health
- Passages Family Support
- Planet Water Foundation
- Providence Dominicare
- Prowers Medical Foundation
- Rockwood Residents' Foundation
- Rockwood Retirement Communities
- Roosevelt Medical Center
- Salmon River Health Clinic

- Senior Homes Foundation of Eastern Washington
- Sierra Vista Hospital Development Organization
- St. Charles Health System
- Teton Valley Health Care Foundation
- The Artisans
- The Mustard Seed
- Three Rivers Hospital
- Uintah Basin Healthcare
- Valley View Home
- Valley Vista Care Corporation
- Washington Rural Health Collaborative
- Western Healthcare Alliance
- YFA Connections

Appendix C



March 20, 2024

Board of Directors
and Rachel Evey, Executive Director
Wenatchee Valley College Foundation, Inc.
1300 Fifth Street
Wenatchee, Washington 98801

We are pleased to confirm our understanding of the services we are to provide for Wenatchee Valley College Foundation, Inc. (the Foundation) for the year ending June 30, 2024.

Audit Scope and Objectives

We will audit the financial statements of the Foundation, which comprise the statement of financial position as of June 30, 2024, the related statements of activities and changes in net assets and cash flows for the year then ending, and the disclosures (collectively, the “financial statements”).

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors’ report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditors’ Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with generally accepted accounting standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures — Internal Control

We will obtain an understanding of the Foundation and its environment, including the system of internal, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

Other Services

We will also prepare the Foundation's IRS Form 990 informational return for the year ending June 30, 2024.

We will prepare the entity's federal information returns for the year ending June 30, 2024, based on information provided by you. We will also assist in preparing the financial statements and related notes of the entity in conformity with U.S. generally accepted accounting principles based on information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statements and related notes, and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring the entity complies with applicable laws and regulations.

You agree to assume all management responsibilities for the financial statement preparations, tax services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Preparation of IRS Form 990 Informational Return

You are responsible for the safeguarding of assets, the proper recording of transactions in the books of accounts, the substantial accuracy of the financial records, and the full and accurate disclosure to us of all relevant facts affecting the return. You also have final responsibility for the tax return and, therefore, the appropriate company officials should review the return carefully before an authorized officer signs and files it.

If, during our work, we discover information that affects prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year returns. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue. We will be happy to prepare appropriate amended returns as a separate engagement.

Our work in connection with the preparation of the tax return does not include any procedures designed to discover defalcations or other irregularities, should any exist. The returns will be prepared solely from information provided to us without any verification by us.

In accordance with federal law, in no case will we disclose your tax return information to any location outside the United States, to another tax return preparer outside of our firm for purposes of a second opinion, or to any other third party for any purpose other than to prepare your return without first receiving your consent.

The Internal Revenue Code and regulations impose preparation and disclosure standards with noncompliance penalties on both the preparer of a tax return and on the taxpayer. To avoid exposure to these penalties, it may be necessary in some cases to make certain disclosures to you and/or in the tax return concerning positions taken on the return that do not meet these standards. Accordingly, we will advise you if we identify such a situation, and we will discuss those tax positions that may increase the risk of exposure to penalties and any recommended disclosures before completing the preparation of the return. If we conclude that we are obligated to disclose a position and you refuse to permit disclosure, we reserve the right to withdraw from the engagement. Likewise, where we disagree about the obligation to disclose a position, you also have a right to choose another professional to prepare your return. In either event, you agree to compensate us for our services to the date of the withdrawal. Our engagement with you will terminate upon our withdrawal.

The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the return's due date. Your consent to such a discussion is evidenced by checking a box on the return. Unless you tell us otherwise, we will check that box authorizing the IRS to discuss your return with us.

Certain communications involving tax advice may be privileged and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone, or by turning over information about those communications to the government, you, your employees, or agents may be waiving this privilege. To protect this right to privileged communication, please consult with us or your attorney prior to disclosing any information about our tax advice. Should you decide it is appropriate for us to disclose any potentially privileged communication, you agree to provide us with written, advance authority to make that disclosure.

Should we receive any request for the disclosure of privileged information from any third party, including a subpoena or IRS summons, we will notify you. In the event you direct us not to make the disclosure, you agree to hold us harmless from any expenses incurred in defending the privilege, including, by way of illustration only, our attorney's fees, court costs, outside adviser's costs, or penalties or fines imposed as a result of your asserting the privilege or your direction to us to assert the privilege.

The return may be selected for review by the taxing authorities. In the event of an audit, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deduction shown on a tax return. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of a tax examination, we will be available, upon request, to represent you. However, such additional services are not included in our fees for preparation of the tax return.

You are responsible for assuming all management responsibilities, and for overseeing any tax services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience. In addition, you are responsible for evaluating the adequacy and results of the tax services performed and accepting responsibility for the results of such services.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Foundation; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of DZA PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Washington State Auditor's Office or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of DZA PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Sharefile is used solely as a method of exchanging information and is not intended to store the Foundation's information. At the end of the engagement, DZA PLLC will provide the Foundation with a copy (in an agreed-upon format) of deliverables and data related to the engagement from the Sharefile.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a regulatory agency.

Rikki Patch is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in approximately September 2024 and to issue our reports no later than December 2024.

Our fee for these services will be as follows:

Audit	\$20,500
IRS form 990	\$4,500

Out-of-pocket travel and shipping costs will be billed at our cost in addition to the above fees.

The fee for additional accounting services will also be at our standard hourly rates that range from \$170 to \$360.

Travel time will be billed in addition to the above fees at hourly rates ranging from \$80 to \$180 per hour.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of the Foundation's financial statements. Our report will be addressed to management and those charged with governance of the Foundation. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express an opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to Wenatchee Valley College Foundation, Inc. and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please print and sign a copy and return it to us.

DZA PLLC



Rikki Patch, CPA
Owner

RESPONSE:

This letter correctly sets forth the understanding of Wenatchee Valley College Foundation, Inc.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____