

***Lewis Sharpstone & Co.***

*The nonprofit services group of*

***Foumberg, Juneja, Rocher & Co.***

**PROPOSAL FOR AUDIT SERVICES**



**California Association for Bilingual Education**

PRESENTED BY

***Lewis Sharpstone & Co.***

The Nonprofit Services Group of



**FOUMBERG, JUNEJA,  
ROCHER & COMPANY**

***Lewis Sharpstone, CPA***

***Brian Harris, CPA***

***Nonprofit CPAs and More***

<https://www.foumbergco.com/industries.php>

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# Lewis Sharpstone & Co.

*The nonprofit services group of*

## *Foumberg, Juneja, Rocher & Co.*

### COVER LETTER AND EXECUTIVE SUMMARY

April 11, 2025

Dr. Edgar Lampkin, CEO  
Audit Committee Members  
California Association for Bilingual Education (CABE)  
20888 Amar Rd.  
Walnut, California 91789

Dear Dr. Lampkin and Audit Committee Members:

Thank you for this opportunity to present our proposal to provide audit services to CABE.

#### Executive summary:

Lewis Sharpstone is a well-known, respected nonprofit CPA having successfully conducted more than 1,500 audits for more than 225 nonprofit organizations large and small. Lewis Sharpstone & Co. is the boutique nonprofit services group (the Group) of CPA firm Foumberg, Juneja, Rocher & Co. (FJR). FJR is a 40 year old CPA firm (the Firm) comprising 70 professionals located in Encino, California. Brian Harris is the head of the audit and assurance practice at FJR and brings 40 years of audit experience and judgement to every audit he oversees. Prior to founding the Group, Lewis built and led nonprofit practices at a major regional firm (for 27 years) and at a leading national CPA firm. The Group and the Firm is set up specially to serve nonprofit organizations of a certain profile. CABE fits that profile.

- **Relevant experience.** Lewis has successfully worked with 20 associations including you, CABE. Lewis successfully served CABE as its CPA and auditor for approximately 7 years starting in the late 1990s. The audits and 990s were always completed timely. It was a wonderful experience for all. A feature of Lewis' service included presenting each year at the annual new Board orientation meeting on the topic of understanding financial statements. The meeting took place each year back then in Marina Del Rey.
- **Lewis is an educator too.** Lewis is an adjunct faculty member at California State University Long Beach. Lewis is currently teaching Auditing in the undergraduate program and Ethics in Accounting, the capstone class in the Masters in Accounting class.
- **We are recognized leaders in the CPA profession.** Lewis is a past (2018-19) chair of the 45,000-member strong California Society of CPAs and also sits on the governing body, Council, of the 430,000-member strong American Institute of CPAs.
- **Focus on quality.** Quality is the bedrock on which all else is built. Lewis and Brian have never experienced a negative quality event in their careers and have no desire to have one in the future. Accordingly, our firm has QC procedures baked into the firm not dissimilar from those of larger CPA firms.
- **Access to resources.** FJR with its 70 professionals can serve clients for virtually any need. In the event a client has a need not currently met within FJR, the Firm can use its extensive network to ensure the client's needs are met.

# Lewis Sharpstone & Co.

The nonprofit services group of

## Foumberg, Juneja, Rocher & Co.

### COVER LETTER AND EXECUTIVE SUMMARY

- **Lewis Sharpstone is an award-winning speaker and teacher.** Through routine lunch-and-learns the Firm trains their nonprofit clients on all they need to know on new accounting pronouncements, new governance protocols and new tax laws, based on materials developed and used at nonprofit accounting conferences. You will be properly informed and trained on all that is new and upcoming.
- **Value.** Our proposed fee to provide your audit and 990 preparation services is \$26,800.
- **Service philosophy and mission.** Our Group's service philosophy is summed up by its tag line - "How can we help?". Our mission is "To help clients demonstrate accountability to stakeholders". This is why **we want to work with you.**

Sincerely,



Lewis Sharpstone, CPA  
Lewis Sharpstone & Co.  
The Nonprofit Services Group of  
Foumberg, Juneja, Rocher & Co.  
Office 818 981 6100 x 232  
[lsharpstone@foumbergco.com](mailto:lsharpstone@foumbergco.com)  
<https://foumbergco.com/Merger.php>



Brian Harris CPA  
Assurance Principal  
Foumberg, Juneja, Rocher & Co.  
Office 818 981 6100 x 227  
[bharris@foumbergco.com](mailto:bharris@foumbergco.com)  
<https://foumbergco.com/>



### PROPOSAL: California Association for Bilingual Education

#### ■ Services to be Performed

Our proposal covers the following services:

1. Annual audits to be completed in accordance with U.S. GAAS, including meetings with the Audit Committee and members of the Board of Directors, starting with the 2025 audit.
2. Form 990 preparation services

#### ■ Description of Firm

Lewis Sharpstone & Co. (LS & Co. or the Group) is the nonprofit services group of CPA firm Foumberg, Juneja, Rocher & Co. (FJR). FJR is a 40+ year old CPA firm with approximately 70 professionals located in Encino California.

The Group specializes in two niche and narrow service areas that mirror the Group's core strengths and competencies. Lewis has a wealth of experience in these areas gained over more than 25 years as an accomplished licensed CPA in California.

The two areas are:

1. **Audits of nonprofit organizations.** Lewis performs reviews and compilations for nonprofits too if requested
2. **Form 990 preparation for nonprofit organizations**

#### Quality and Service

The firm is built on two pillars – Quality and Service.

**Quality:** Adherence to all CPA professional standards

**Service:** This is attending to the “small” things that aren't small at all

- Returning calls and emails promptly
- Delivering as promised, no billing surprises
- Always friendly, helpful
- Tailor every service to the uniqueness of the client
- Properly plan and prepare for every meeting
- Going the extra mile to exceed expectations

#### LS & Co. Group's Mission

We help nonprofits demonstrate accountability to stakeholders

#### Group Philosophy and Tag Line

How can we help?

### PROPOSAL: California Association for Bilingual Education

#### ■ Nonprofit Experience

##### **Overview**

The Group's experience serving nonprofit clients is, in a word, extensive. Since 1990 we have successfully served over 225 nonprofit clients, large and small, in all sectors of the nonprofit universe and successfully conducted over 1,500 certified audits. We are focused on bringing all this experience to the service and benefit of smaller nonprofit organizations.

##### **Associations**

We have successfully served 20 associations to date. Our more well-known association clients include the Los Angeles Area Chamber of Commerce, Toastmasters International, AYSO, the Producers Guild of America, the UCLA Alumni Association, the Southern California Tennis Association and the California Association for Bilingual Education (CABE).

##### **Education**

The Group has successfully served 38 education organizations in all sectors of the education space. The Group's largest education client to date has been the charter school group, the Alliance for College Ready Public Schools. Smaller clients served include the California Charter School Association, 8 colleges of higher education including Phillips Graduate Institute and Marymount California University, 13 independent schools, several of which serve children with learning difficulties, emotional issues, attention issues and behavioral disorders, and many smaller educational institutions including Switzer Center and Dubnoff Center, and several other education related nonprofits and after school programs.

##### **Experience serving Arts and Cultural Organizations**

The Group has successfully served 30 arts and cultural organizations including the Los Angeles County Museum of Art, the Museum of Contemporary Art, The Petersen Automotive Museum, the California Science Center, the Natural History Museum of Los Angeles County, The Autry Museum of the West, Santa Monica Museum of Art, the Hollywood Motion Picture Museum (CEO was Debbie Reynolds) Center Theatre Group, The Geffen Playhouse, the Los Angeles Philharmonic, the Music Center of Los Angeles County, The Groundlings, Shakespeare Festival Los Angeles, Pasadena Playhouse and The Jazz Bakery.

##### **Healthcare**

We have successfully worked with 12 healthcare related nonprofits including clinics and Federally Qualified Health Centers. Lewis' most well-known FQHC client served is Venice Family Clinic and Lewis most recently worked on a project for Children's Hospital Los Angeles. Lewis has also worked with the ALS Association and the Juvenile Diabetes Research Foundation.

### PROPOSAL: California Association for Bilingual Education

#### ■ Nonprofit Experience (continued)

##### **Social Service Organizations**

The Group has successfully served 69 social service organizations in all areas of the social service landscape including 9 organizations providing services to Seniors, 9 homeless shelters, 10 organizations that develop transitional and low income housing, 12 that serve at risk youth including foster children, 3 that address hunger issues, 6 that serve adults with disabilities, 5 that provide services to help the environment, 5 that provide service internationally and 10 that provide services to individuals with underserved needs, such as the Hispanic community and individuals with specific ailments. Clients served in this sector have included well-known names such as the Los Angeles Regional Food Bank, Easter Seals, the ALS Association, Habitat for Humanity, two United Way organizations and dozens of smaller organizations, less well known but that do wonderful work.

##### **Religious Organizations**

The Group has successfully worked with 12 religious organizations including Wilshire Boulevard Temple, Temple Israel of Hollywood, St. Georges Episcopal Church and the Los Angeles International Church of Christ.

##### **Foundations**

We have successfully served 29 foundations to date. Our more well-known foundation clients include the Music Center Foundation, the Screen Actors Guild Foundation, the Magic Johnson Foundation, the X Prize Foundation, the Liberty Hill Foundation, the Joseph Drown Foundation and the Eisner Foundation. Many clients served in this are smaller and include private family foundations.

##### **Other nonprofit experience**

Every nonprofit is wonderfully unique. We have worked with approximately 20 nonprofits that don't nicely fit the categories above. Examples are the well-known nonprofit incubator Community Partners, legal services provider Bet Tzedek, Sean Penn's J/P Haitian Relief Organization and the Claremont Institute.

##### **Single Audit experience**

The Group has successfully conducted over 250 single audits for 42 nonprofit clients. This experience includes auditing a wide range of Federal programs. The Group presents webinars, training other CPAs on conducting single audits.

### PROPOSAL: California Association for Bilingual Education

#### ■ Approach to Performing the Audit

There are five key features of our audit approach:

1. **Heavy emphasis on planning.** We do not just “dive in”, nor do we conduct an audit “cookie cutter/check-the-box” style. We take the time to thoroughly understand each client and their uniqueness, their systems and processes and issues if any. Our audit files consist of six sections and the first three are concerned with audit planning. Experience shows us time and time again that time spent properly understanding each client and planning the audit yields a significant return in terms of audit value to each client, audit efficiency and client satisfaction
2. **Risk based approach.** Most CPA firms employ a risk-based approach to the audit, focusing on your higher risk areas. We are no different. We use a nationally recognized peer-reviewed and certified audit methodology also used by many/most other leading CPA firms.
3. **Experienced auditors.** We are not a training ground for people wanting to become CPAs. Not that there’s anything wrong with those firms. Our profession needs to train the next generation and Brian and Lewis have trained hundreds of auditors in their collective careers. Our Group simply offers an alternative approach of using already trained, experienced auditors to conduct each audit.
4. **Helpful.** We view our role as helping clients be accountable to stakeholders. This is the mission statement of our firm.
  - The two documents our clients mostly use to demonstrate that accountability to their stakeholders are the audited financial statements and their Form 990. By us conducting an independent audit fully in compliance with the standards we are in this way helping our clients tell their story transparently and be accountable to stakeholders. This helpful mindset makes a big difference in the client experience.
  - We view an integral part of our role with each client is education and training. We educate and train our clients on new nonprofit accounting standards and nonprofit trends and insights. This occurs through personally conducted, complimentary meetings and lunch and learns, which are tailored to each client’s needs, supplemented through email communication.



### PROPOSAL: California Association for Bilingual Education

#### ■ Approach to Performing the Audit (continued)

There are five Key features of our audit approach - continued

##### 5. Quality is baked into everything we do.

The firm's Quality Control Document has internal quality control processes one would expect only in much larger CPA firms. This is in large part due to Brian and Lewis' obsession with adherence to CPA professional standards (which clients rightly expect). We would be happy to provide it, on a confidential basis, upon request.

Prior to Lewis Sharpstone & Co. merging into Foumberg, Juneja, Rocher & Co. the Group was in full compliance with the peer review rules of the California State Board of Accountancy (CBA). The Group's latest peer review, which was the highest rating a CPA firm can achieve, is attached. The Firm's latest peer review is available upon request.

#### ■ LS & Co. Staff Group

Lewis Sharpstone & Co. Group staff typically have more than 15 years of auditing experience. We are able to assign staff to each audit that are the best fit for that audit. More specifics about the current LS & Co. Group team can be made available upon request.

### PROPOSAL: California Association for Bilingual Education

#### ■ Lewis Sharpstone Resume

Lewis is a recognized leader not only in the field of nonprofits but also in the Certified Public Accountant community. He was the 2018-19 chair of the 45,000-member strong California Society of CPAs. Lewis also currently serves on the governing body, Council, of the 430,000-member strong American Institute of Certified Public Accountants.

To date, Lewis has successfully conducted over 1,500 nonprofit audits and served over 225 nonprofit organizations, large and small and in all sectors of the nonprofit community, as their CPA.

Prior to founding his Group, Lewis spent two and a half years with a national firm leading the firm's nonprofit practice in the West Region, 27 years with a regional firm where he founded and lead the nonprofit practice among other things and seven years with a big 4 accounting firm.

Lewis is a sought after and dynamic speaker on topics in his field. Also, Lewis has always been active in the community serving on nonprofit boards and recently concluded two terms serving on the board of the Entertainment Industry Foundation, whose major program is Stand Up to Cancer, and serving on the Community Advisory Board of the Center for Southern California Studies. Previously Lewis served on the boards of the Center for Nonprofit Management, Dubnoff Center and Temple Kol Tikvah.

Lewis teaches Ethics in Accounting, the capstone class in the Masters Program at California State University Long Beach.

Lewis received his B.Sc. in Mathematics and Computer Science from the University of Manchester, England and is a Fellow of the Institute of Chartered Accountants in England and Wales. Lewis passed all four parts of the CPA exam on his first sitting.

### PROPOSAL: California Association for Bilingual Education

#### ■ Brian Harris Resume

Brian is FJR's Principal (Partner) of Assurance Services. Brian has over four decades of experience providing assurance services to not-for-profit organizations, owner-operated companies, employee benefit plans as well as other types of entities. Since joining the firm in 2019, Brian has developed a team of experienced professionals in the assurance department. Brian is also responsible for the firm's quality control.

Brian has written articles for publications including The Financial Manager (Media Financial Management Association), The Licensing Journal, and has contributed to the Basics of Licensing books.

#### **EDUCATION**

Brian received a Bachelor of Science degree in Accounting from the University of Illinois, Urbana-Champaign. Brian passed all four parts of the CPA exam on his first sitting.

#### **AFFILIATIONS**

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Illinois CPA Society

Past President, Big Ten Club of Southern California

Past President, University of Illinois Alumni Club of the Foothills

Past Executive Committee Member and Board Member, Jewish Federation Valley Alliance

#### **PERSONAL**

Brian is an avid fan of all Chicago sports teams, as well as being a supporter of the University of Illinois. In his spare time, Brian enjoys taking cooking classes, and often uses his office mates to test out his newest recipes.

### PROPOSAL: California Association for Bilingual Education

#### Proposed Timeline

<u>As soon as appointed</u>	<ul style="list-style-type: none"><li>■ Conduct client acceptance and predecessor/successor auditor procedures</li></ul>
	<ul style="list-style-type: none"><li>■ Conduct initial meeting with CABA leadership and your controller</li></ul>
	<ul style="list-style-type: none"><li>■ Tailor and provide the audit "PBC" list</li></ul>
	<ul style="list-style-type: none"><li>■ Conduct entrance conference with those charged with governance</li></ul>
<u>For the year ended June 30, 2025</u>	
September 2025	<ul style="list-style-type: none"><li>■ Conduct planning audit fieldwork</li><li>■ Commence audit year end work</li></ul>
October 2025	<ul style="list-style-type: none"><li>■ Conclude audit year end fieldwork</li><li>■ Provide draft of audit to management</li><li>■ Conduct audit exit conference</li><li>■ Issue audit</li><li>■ Commence 990 preparation</li></ul>
November 2025	<ul style="list-style-type: none"><li>■ E-file the Form 990</li></ul>



### PROPOSAL: California Association for Bilingual Education

#### ■ Fee Proposal

	2025	2026	2027
Audit of the financial statements	\$23,000	\$23,000	\$24,000
Form 990 preparation services	3,800	3,800	3,900
Initial audit procedures	Included	Included	Included
Conduct meetings with management and AC	Included	Included	Included
Present to the Board if requested	Included	Included	Included
Provide valuable/proactive help and guidance	Included	Included	Included
Assistance with implementation of any new accounting pronouncements	Included	Included	Included
Reasonable out of pocket expenses	Included	Included	Included
Total	\$26,800	\$26,800	\$27,900

#### Guarantees, no surprise bill policy and billing rates for additional services

1. The fees above are guaranteed so long as the firm is notified of acceptance of our proposal on or prior to May 5, 2025
2. The fees above are predicated on
  - a. Customary good cooperation with us – providing to us all schedules and documents to the firm in accordance with a mutually agreed upon schedule.
  - b. The expectation of a longer term (not a single year) relationship – this is the basis of no additional charge for the audit set up procedures.
3. We will not render surprise bills. In the unlikely event we encounter an overrun situation we will discuss the situation with you and work out a fair way to resolve the situation. In our experience, overrun situations, when they do occur, are worked out to everyone's mutual satisfaction.
4. Fees for additional services requested would be agreed to in writing before undertaking such services. The work would be performed by the "lowest" level of professional competent to perform the work and supervised by Lewis Sharpstone or Brian Harris, or performed directly by Lewis Sharpstone or Brian Harris if warranted, thus ensuring maximum value to you.

# Lewis Sharpstone & Co.

The nonprofit services group of

## Foumberg, Juneja, Rocher & Co.

PROPOSAL: California Association for Bilingual Education

### ■ Conclusion and Thank You

#### Thank you!

Thank you for giving us the opportunity to present this proposal to serve as your auditors. If you would like any other information about the firm or have any questions concerning the proposal, please do not hesitate to call us.

We hope you afford us the opportunity of serving you now and for many years to come.

Sincerely,



Lewis Sharpstone, CPA  
Lewis Sharpstone & Co.  
The Nonprofit Services Group of  
Foumberg, Juneja, Rocher & Co.  
Office 818 981 6100 x 232  
[lsharpstone@foumbergco.com](mailto:lsharpstone@foumbergco.com)  
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<https://foumbergco.com/>

#### Mutual Confidentiality

Professional standards require that we safeguard and keep confidential, in perpetuity, all information gathered on prospective clients to prepare proposals.

This proposal is submitted to you for your use and consideration only. Forwarding to persons connected with you is expected and permitted. However, information in it may not be shared with persons not connected with you, nor may this proposal be made public.

### PROPOSAL: California Association for Bilingual Education



Member:  
American Institute of Certified Public Accountants  
California Society of Certified Public Accountants

880 Apollo Street, Suite 140, El Segundo, CA. 90245  
Tel: 310.563.1010 • Fax: 310.563.1011

### Report on the Firm's System of Quality Control

March 29, 2024

The Principal  
Lewis Sharpstone & Co.  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Lewis Sharpstone & Co. in effect for the year ended May 31, 2023. 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](http://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 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 and compliance with the firm's system of quality control based on our review.

#### Required Selections and Consideration

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including an audit under the Single Audit Act; and an audit of an employee benefit plan.

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.



# Lewis Sharpstone & Co.

The nonprofit services group of

## Foumberg, Juneja, Rocher & Co.

**PROPOSAL: California Association for Bilingual Education**

Lewis Sharpstone & Co.  
and the Peer Review Committee of the California Society of CPAs  
March 29, 2024  
Page 2

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Lewis Sharpstone & Co. in effect for the year ended May 31, 2023, 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 deficiencies*, or *fail*. Lewis Sharpstone & Co. has received a peer review rating of *pass*.

*Lawrence R. Mitchell & Company*

Lawrence R. Mitchell & Company  
Certified Public Accountants  
*A Professional Corporation*



*Lewis Sharpstone & Co.*

*The nonprofit services group of*

*Foumberg, Juneja, Rocher & Co.*

**PROPOSAL: California Association for Bilingual Education**



(650) 522-3094  
peerreview@calcpa.org

June 05, 2024

Lewis Sharpstone  
Lewis Sharpstone & Co.  
5074 Tendilla Ave  
Woodland Hills, CA 91364-1825

Dear Lewis Sharpstone:

It is my pleasure to notify you that on May 23, 2024, the California Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2026. 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.

Thank you for your cooperation.

Sincerely,

*Peer Review Committee*

Peer Review Program  
The Peer Review Program Team  
peerreview@calcpa.org  
650-522-3094

cc: Lawrence Mitchell

Firm Number: 900255349834

Review Number: 603515