



# AGENDA

CALIFORNIA AVOCADO COMMISSION  
FINANCE COMMITTEE  
REGULAR WEB/TELECONFERENCE MEETING

Tuesday, October 6, 2020

2:00 p.m.

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Location:

*Per Governor Newsom's Executive Order N-29-20, local and state legislative bodies are authorized to hold public meetings via teleconference, with all requirements in the Bagley-Keene Act and Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or the public as a condition for participation in or quorum for public meetings thereby waived.*

This meeting is being held strictly as a web/teleconference meeting, where any participants, including members of the public, may participate in the web/teleconference by computer or phone as indicated below:

Web Conference URL: <http://bit.ly/CAC-Fin-Comm-Mtg-10-6-20>

Meeting ID: 891 3839 2435

Passcode: 700675

Conference Call #: (669) 900-6833

AS OF THURSDAY, OCTOBER 1, 2020, THE FOLLOWING INDIVIDUALS HAVE ADVISED THE COMMISSION THEY WILL PARTICIPATE IN THIS MEETING VIA WEB/TELECONFERENCE:

**Committee Members:**

Rob Grether, Chairman

Jason Cole

Salvador Dominguez

Ed McFadden

John Lamb, Ex-Officio

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2:00 p.m.      1. CALL TO ORDER  
A. Roll Call / Establish Quorum

2:05 p.m.      2. OPPORTUNITY FOR PUBLIC COMMENT

Any person may address the Board at this time on any subject within the jurisdiction of the California Avocado Commission.

2:10 p.m.      3. CONSIDER APPROVAL OF MINUTES OF AUGUST 12, 2020 FINANCE COMMITTEE MEETING

2:15 p.m.

4. DISCUSSION AND POSSIBLE ACTION ITEMS

- A. 2019-20 Financial Updates
- B. Letter of Engagement from Macias Gini & O'Connell for Financial Audit Services
- C. Cash Disbursement Audit
- D. Review 2019-20 Employer Contributions to Profit Sharing Plan
- E. 2020-21 Budget and Assessment Rate

3:30 p.m.

ADJOURN MEETING

The times listed for each agenda item are estimated and subject to change. It is possible that some of the agenda items may not be able to be discussed prior to adjournment. Consequently, those items will be rescheduled to appear on a subsequent agenda. All meetings of the California Avocado Commission are open to the public and subject to the Bagley-Keene Open Meeting Act.

All agenda items are subject to discussion and possible action. For more information, or to make a request regarding a disability-related modification or accommodation for the meeting, please contact April Aymami at 949-341-1955, California Avocado Commission, 12 Mauchly, Suite L, Irvine, CA 92618, or via email at [aaymami@avocado.org](mailto:aaymami@avocado.org). Requests for disability-related modification or accommodation for the meeting should be made at least 48 hours prior to the meeting time. For individuals with sensory disabilities, this document is available in Braille, large print, audiocassette or computer disk. This meeting schedule notice and agenda is available on the internet at <http://www.californiaavocadogrowers.com/commission/calendar> and <http://it.cdfa.ca.gov/igov/postings/detail.aspx?type=Notices>.

If you have questions on the above agenda, please contact April Aymami at [aaymami@avocado.org](mailto:aaymami@avocado.org) or 949-341-1955.





#### **Item #4C: CASH DISBURSEMENT AUDIT**

The Committee reviewed the disbursement registers for May through July 2020 as included in the Finance Committee Meeting Packet with no significant comments to note.

#### **Item #4D: 2020 CROP SITUATION**

The Committee discussed the potential 2019-20 crop condition and the following points were made:

- Ms. Arnett stated that estimated total crop volume was not anticipated to change significantly from budgeted projections which was validated from the mid-season grower crop survey results and conversations with large handlers as discussed at the May Finance Committee meeting. Ms. Arnett also commented that as of early August, over 300MM pounds had been harvested and shipped.
- Overall, the Committee agreed the crop volume outlook is very positive and promising for 2019-20.

#### **Item #4E: 2020-21 BUDGET AND ASSESSMENT RATE DISCUSSION**

Discussion regarding the 2020-21 budget and assessment rate began with Ms. Arnett presenting CAC's current financial position and projected ending reserve balance for the 2019-20 fiscal year. The calculations presented estimated that the 2019-20 crop size would total or be in excess of 365 million pounds with forecasted ending reserves of \$12.8 million, assuming an average price of \$1.10 for the remainder of the season. This ending reserve balance would be \$1 million lower than the original 2019-20 projection.

Ms. Arnett presented management's recommended assessment rate and budget for the 2020-21 fiscal year which proposed an assessment rate of 2.00% based on a 325 million pound crop at an average price of \$1.25 per pound. Projected total budgeted expenditures are estimated at \$17 million with \$12 million allocated to the Marketing department. Ms. Arnett commented that the ratio of Marketing spending to total budget at 70% is the highest it has ever been. This level of spending would result in a 2020-21 ending reserve balance of \$10.4 million.

Ms. Arnett presented management's recommended assessment rate and budget for the 2021-22 fiscal year which proposed an assessment rate of 2.00% based on a 400 million pound crop at an average price of \$1.20 per pound. Projected total budgeted expenditures are estimated at \$17.0 million with \$12 million, or 70%, allocated to the Marketing department. This level of spending would result in a 2021-22 ending reserve balance of \$10.7 million, creating a balanced budget position.

Ms. Arnett also presented an Industry Statistics slide that provided the volume, average price per pound, total crop volume, and ending reserves balance for the current fiscal year and prior fiscal years. Mr. Bellamore commented that if the 2019-20 estimated volume and price per pound amounts were achieved, it would yield the second highest crop value ever.

Chairman Grether inquired as to how the increase in the 2020-21 Marketing budget would be allocated. Mr. Bellamore indicated that the composition and percentages of

the budget would remain relatively the same across Marketing categories and would account for new creative and an extension of the ecommerce project.

Chairman Grether inquired as to management's confidence in the 2019-20 volume and price estimates. Mr. Bellamore commented that although the mid-season grower survey supported the volume amount, both volume and price estimates were conservative and could be exceeded. Multiple members of the Committee agree that they were personally anticipating higher volume harvests than originally predicted.

After additional discussion, the Committee agreed that management's recommendation regarding the 2020-21 crop volume and budget appeared reasonable.

*The 2019-20 Reserves Projection and Multi-Year Budget Planning document is attached to the permanent copy of these Minutes as identified as Exhibit B.*

### **ADJOURN**

Chairman Grether adjourned the meeting at 1:45 p.m.

Respectfully submitted,

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Monica Arnett, Vice President of Finance and Administration

### **EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES**

EXHIBIT A 2019-20 Financial Update Packet

EXHIBIT B 2019-20 Reserves Projection and Multi-Year Budget Planning document

EXHIBIT C August 12, 2020 Finance Committee Meeting AB 2720 Roll Call Vote Tally Summary



**COMMITTEE INFORMATION**

**ITEM 4.A: 2019-20 FINANCIAL & CROP UPDATE**

**SUMMARY:**

**Financial Position and Operational Indicators**

The following are highlights taken from the Commission’s Statement of Net Position (Balance Sheet & Reserves) as of August 31, 2020 and Statement of Revenues, Expenses & Changes in Net Position (Income Statement) for the period then ended, with comparison to prior year’s figures:

	8/31/20	8/31/19
<b>Assets</b>		
Petty Cash	\$200	\$200
Cash in Bank–Checking Accounts	3,380,455	1,934,943
Investments (LAIF & MMA)	10,478,619	11,467,614
<b>Subtotal CAC Cash &amp; Investment</b>	<b>13,859,274</b>	<b>13,402,757</b>
Cash & Investments held for AIP	905,257	819,228
<b>Total Cash &amp; Investment</b>	<b>14,764,531</b>	<b>14,221,985</b>
Assessment Receivable	3,149,196	2,321,961
Other (Other Receivables, Prepaids and Fixed Assets)	269,084	280,229
<b>Total Assets</b>	<b>18,182,811</b>	<b>16,824,175</b>
<b>Liabilities &amp; Net Reserves</b>		
Accounts Payable and Accrued Expenses	896,514	449,053
Due to AIP	905,257	819,228
Other	194,154	213,974
<b>Total Liabilities</b>	<b>1,995,925</b>	<b>1,482,255</b>
Total Revenues	13,798,993	12,154,939
Total Expenditures	11,595,895	9,032,347
<b>YTD Surplus (Deficit)</b>	<b>2,203,098</b>	<b>3,122,592</b>
Net Reserves-Prior Periods	13,983,788	12,219,328
<b>Total Net Reserves</b>	<b>16,186,886</b>	<b>15,341,920</b>
<b>Total Liabilities &amp; Net Reserves</b>	<b>\$18,182,811</b>	<b>\$16,824,175</b>

**Crop Statistics**

Handlers reported 296.2 million pounds of California avocados harvested through July 2020 with an average price (per pound) reported at 1.13 dollars. An estimated 39.5 million pounds were harvested in August 2020 with an average price (per pound) of 1.03 dollars. This would bring the total harvested through August 2020 to 335.7 million pounds at an average price (per pound) of 1.11 dollars.

The attached year-to-date 2019-20 U.S. Aggregate Avocado Volume by Month Chart shows the actual crop volume for all countries of origin with prior year comparison.

**FISCAL ANALYSIS:**

- Not applicable

**COMMITTEE OPTIONS:**

- Discussion item only

**STAFF RECOMMENDATION:**

- Not applicable

**EXHIBITS / ATTACHMENTS:**

- Balance Sheet and Reserves as of August 31, 2020
- Statement of Revenues and Expenses for the ten months ending August 31, 2020
- 2019-20 Pounds & Dollars by Variety Report (November 2019 – July 2020)
- 2019-20 U.S. Aggregate Avocado Volume by Month Chart (November 2019 – July 2020)

**California Avocado Commission**  
**Statement of Net Position**  
As of August 31, 2020 (with Comparison to Prior Year)

	Current Year		Prior Year		Variance	
	Balance	%	Balance	%	Amount	%
<b>ASSETS</b>						
<b>Cash and Short Term Investments:</b>						
Petty Cash	200	0.00%	200	0.00%	-	0.00%
Cash in Bank	3,380,455	18.59%	1,934,943	11.50%	1,445,512	74.71%
Cash in Bank-LAIF & Money Market	10,478,619	57.63%	11,467,614	68.16%	(988,995)	-8.62%
<b>Total CAC Cash and Short Term Investments</b>	<b>13,859,273</b>	<b>76.22%</b>	<b>13,402,756</b>	<b>79.66%</b>	<b>456,517</b>	<b>3.41%</b>
Cash in Bank, LAIF & Money Market (held for .	905,257	4.98%	819,228	4.87%	86,029	10.50%
<b>Total Cash and Short Term Investments</b>	<b>14,764,531</b>	<b>81.20%</b>	<b>14,221,985</b>	<b>84.53%</b>	<b>542,546</b>	<b>3.81%</b>
<b>Other Current Assets:</b>						
Assessment Receivable	3,149,197	17.32%	2,321,961	13.80%	827,236	35.63%
Other Receivable	12,172	0.07%	14,730	0.09%	(2,558)	-17.36%
Prepays	115,497	0.64%	72,605	0.43%	42,891	59.07%
<b>Total Other Current Assets</b>	<b>3,276,866</b>	<b>18.02%</b>	<b>2,409,297</b>	<b>14.32%</b>	<b>867,569</b>	<b>36.01%</b>
<b>Total Current Assets</b>	<b>18,041,396</b>	<b>99.22%</b>	<b>16,631,281</b>	<b>98.85%</b>	<b>1,410,115</b>	<b>8.48%</b>
<b>Fixed Assets:</b>						
Furniture	99,742	0.55%	132,091	0.79%	(32,349)	-24.49%
Software	1,669	0.01%	6,676	0.04%	(5,007)	-75.00%
Land Improvements	40,004	0.22%	54,127	0.32%	(14,123)	-26.09%
<b>Total Fixed Assets</b>	<b>141,415</b>	<b>0.78%</b>	<b>192,894</b>	<b>1.15%</b>	<b>(51,479)</b>	<b>-26.69%</b>
<b>Net Fixed Assets</b>	<b>141,415</b>	<b>0.78%</b>	<b>192,894</b>	<b>1.15%</b>	<b>(51,479)</b>	<b>-26.69%</b>
<b>Total Assets</b>	<b>18,182,811</b>	<b>100.00%</b>	<b>16,824,175</b>	<b>100.00%</b>	<b>1,358,636</b>	<b>8.08%</b>
<b>LIABILITIES AND NET RESERVES</b>						
<b>Current Liabilities:</b>						
Accounts Payable & Accrued Expenses	896,514	44.92%	449,053	30.30%	447,461	99.65%
Due to AIP	905,257	45.36%	819,228	55.27%	(86,029)	-10.50%
Other Payable (Vacation/Payroll/Sec. 125)	172,960	8.67%	194,377	13.11%	(21,417)	-11.02%
Research Contract Payable	3,194	0.16%	1,597	0.11%	1,597	0.00%
<b>Total Current Liabilities</b>	<b>1,977,926</b>	<b>99.10%</b>	<b>1,464,255</b>	<b>98.79%</b>	<b>513,671</b>	<b>35.08%</b>
<b>Long Term Liabilities:</b>						
Deposit Due to CDFA/AIP	18,000	0.90%	18,000	1.21%	-	0.00%
<b>Total Long Term Liabilities</b>	<b>18,000</b>	<b>0.90%</b>	<b>18,000</b>	<b>1.21%</b>	<b>-</b>	<b>0.00%</b>
<b>Total Liabilities</b>	<b>1,995,926</b>	<b>100.00%</b>	<b>1,482,255</b>	<b>100.00%</b>	<b>513,671</b>	<b>34.65%</b>
<b>Net Reserves:</b>						
Net Reserves-Prior Periods	13,983,788	86.39%	12,219,328	79.65%	1,764,460	14.44%
Surplus (Deficit)-Current Period	2,203,098	13.61%	3,122,592	20.35%	(919,494)	-29.45%
<b>Total Net Reserves</b>	<b>16,186,886</b>	<b>100.00%</b>	<b>15,341,920</b>	<b>100.00%</b>	<b>844,965</b>	<b>5.51%</b>
<b>Total Liabilities and Net Reserves</b>	<b>18,182,811</b>	<b>100.00%</b>	<b>16,824,175</b>	<b>100.00%</b>	<b>1,358,636</b>	<b>8.08%</b>

**California Avocado Commission**  
**Statement of Revenues, Expenses & Changes in Net Position (Surplus/Deficit)**  
**For the ten months ending August 31, 2020 (with Comparison to Prior Year)**

	2019/2020		2018/2019		Current Year Vs Prior Year	
	Actual	%	Actual	%	Var-Fav(Unfav)	% of Change
<b>Revenues</b>						
<b>Assessment Revenues</b>						
CAC Assessment Revenue	7,563,700	54.8%	8,094,936	66.60%	(531,236)	-6.6%
HAB Assessment Revenue	6,035,214	43.7%	3,806,700	31.32%	2,228,514	58.5%
<b>Subtotal Assessment Revenue</b>	<b>13,598,915</b>	<b>98.6%</b>	<b>11,901,636</b>	<b>97.92%</b>	<b>1,697,278</b>	<b>14.3%</b>
<b>Other Revenues</b>						
Admin & Accounting Fee Revenue (AIP)	50,830	0.4%	50,830	0.42%	-	0.0%
Grant Funding	3,519	0.0%	7,308	0.06%	(3,789)	-51.8%
Pine Tree Ranch Crop Income	65,965	0.5%	17,123	0.14%	48,842	285.3%
Interest and Other Income	79,764	0.6%	178,043	1.46%	(98,278)	-55.2%
Ecommerce Income	-	0.0%	-	0.00%	-	0.0%
<b>Subtotal Other Revenues</b>	<b>200,078</b>	<b>1.4%</b>	<b>253,303</b>	<b>2.08%</b>	<b>(53,225)</b>	<b>-21.0%</b>
<b>Total Revenue</b>	<b>13,798,993</b>	<b>100.0%</b>	<b>12,154,939</b>	<b>100.00%</b>	<b>1,644,053</b>	<b>13.5%</b>
<b>Expenses</b>						
<b>Marketing Expenses</b>						
Consumer Marketing	4,948,836	43.6%	3,197,161	35.40%	(1,751,675)	-54.8%
Merchandising	1,431,357	12.6%	1,014,998	11.24%	(416,360)	-41.0%
Foodservice	503,998	4.4%	559,113	6.19%	55,114	9.9%
Consumer Public Relations	802,532	7.1%	557,835	6.18%	(244,696)	-43.9%
Consumer/Trade Living Well	119,800	1.1%	94,102	1.04%	(25,697)	-27.3%
Marketing Activities Support	107,255	0.9%	74,369	0.82%	(32,886)	-44.2%
Ecommerce	252,736	2.2%	-	0.00%	(252,736)	0.0%
<b>Subtotal Marketing Expenses</b>	<b>8,166,514</b>	<b>72.0%</b>	<b>5,497,578</b>	<b>60.87%</b>	<b>(2,668,936)</b>	<b>-48.5%</b>
<b>Non-Marketing Expenses</b>						
Industry Affairs	425,311	3.7%	537,677	5.95%	112,366	20.9%
Production Research	247,965	2.2%	125,868	1.39%	(122,097)	-97.0%
Grant Programs	136,429	1.2%	132,674	1.47%	(3,756)	-2.8%
Administration	2,619,674	23.1%	2,738,550	30.32%	118,875	4.3%
<b>Subtotal Non-Marketing Expenses</b>	<b>3,429,381</b>	<b>30.2%</b>	<b>3,534,769</b>	<b>39.13%</b>	<b>105,388</b>	<b>3.0%</b>
<b>Total Expenses</b>	<b>11,595,895</b>	<b>100.0%</b>	<b>9,032,347</b>	<b>100.00%</b>	<b>(2,563,548)</b>	<b>-28.4%</b>
<b>Surplus (Deficit)</b>	<b>2,203,098</b>	<b>100.0%</b>	<b>3,122,592</b>	<b>100.00%</b>	<b>(919,494)</b>	<b>29.4%</b>

**California Avocado Commission**  
**Statement of Revenues, Expenses & Changes in Net Position (Surplus/Deficit) - Actual vs. Budget**  
**For the ten months ending August 31, 2020 (with Comparison to Budget)**

	YTD		YTD Budget	YTD Actual Vs YTD Budget		Annual Budget	YTD Actual Vs Annual Budget	
	Actual	%		Var-Fav(Unfav)	% of Budget		Var-Fav(Unfav)	% of Budget
<b>Revenues</b>								
<b>Assessment Revenues</b>								
CAC Assessment Revenue	7,563,700	54.81%	8,042,020	(478,320)	-5.95%	8,541,000	(977,300)	-11.44%
HAB Assessment Revenue	6,035,214	43.74%	6,827,093	(791,879)	-11.60%	7,213,313	(1,178,099)	-16.33%
<b>Subtotal Assessment Revenue</b>	<b>13,598,915</b>	<b>98.55%</b>	<b>14,869,113</b>	<b>(1,270,198)</b>	<b>-8.54%</b>	<b>15,754,313</b>	<b>(2,155,398)</b>	<b>-13.68%</b>
<b>Other Revenues</b>								
Admin & Accounting Fee Revenue (AIP)	50,830	0.37%	50,830	-	0.00%	61,000	(10,170)	-16.67%
Grant Funding	3,519	0.03%	3,600	(81)	-2.25%	238,648	(235,129)	-98.53%
Pine Tree Ranch Crop Income	65,965	0.48%	32,000	33,965	106.14%	32,000	33,965	106.14%
From The Grove Income	55,250	0.40%	45,000	10,250	22.78%	60,000	(4,750)	-7.92%
Interest and Other Income	24,514	0.18%	12,500	12,014	96.11%	15,000	9,514	63.43%
Ecommerce Income	-	0.00%	-	-	0.00%	125,409	(125,409)	-100.00%
<b>Subtotal Other Revenues</b>	<b>200,078</b>	<b>1.45%</b>	<b>143,930</b>	<b>56,148</b>	<b>39.01%</b>	<b>532,057</b>	<b>(331,979)</b>	<b>-62.40%</b>
<b>Total Revenue</b>	<b>13,798,993</b>	<b>100.00%</b>	<b>15,013,043</b>	<b>(1,214,050)</b>	<b>-8.09%</b>	<b>16,286,370</b>	<b>(2,487,377)</b>	<b>-15.27%</b>
<b>Expenses</b>								
<b>Marketing Expenses</b>								
Consumer Marketing	4,948,836	42.68%	6,247,389	1,298,553	20.79%	6,601,027	1,652,191	25.03%
Merchandising	1,431,357	12.34%	1,523,470	92,112	6.05%	2,478,918	1,047,561	42.26%
Foodservice	503,998	4.35%	505,120	1,122	0.22%	934,000	430,002	46.04%
Consumer Public Relations	802,532	6.92%	906,184	103,652	11.44%	975,000	172,469	17.69%
Consumer/Trade Living Well	119,800	1.03%	120,816	1,017	0.84%	134,750	14,950	11.09%
Marketing Activities Support	107,255	0.92%	107,930	675	0.63%	145,875	38,620	26.47%
Ecommerce	252,736	2.18%	251,739	(997)	-0.40%	413,064	160,328	38.81%
<b>Subtotal Marketing Expenses</b>	<b>8,166,514</b>	<b>70.43%</b>	<b>9,662,648</b>	<b>1,496,134</b>	<b>15.48%</b>	<b>11,682,634</b>	<b>3,516,120</b>	<b>30.10%</b>
<b>Non-Marketing Expenses</b>								
Industry Affairs & Production Research	673,277	5.81%	933,153	259,876	38.68%	1,580,107	906,830	103.34%
Grants	136,429	1.18%	136,430	1	0.00%	238,648	102,219	42.83%
Administration	2,619,674	22.59%	2,804,612	184,938	6.59%	3,406,220	786,546	23.09%
<b>Subtotal Non-Marketing Expenses</b>	<b>3,429,381</b>	<b>29.57%</b>	<b>3,874,195</b>	<b>444,815</b>	<b>11.48%</b>	<b>5,224,975</b>	<b>1,795,594</b>	<b>34.37%</b>
<b>Total Expenses</b>	<b>11,595,895</b>	<b>100.00%</b>	<b>13,536,843</b>	<b>1,940,949</b>	<b>14.34%</b>	<b>16,907,609</b>	<b>5,311,714</b>	<b>31.42%</b>
<b>Surplus (Deficit)</b>	<b>2,203,098</b>	<b>100.00%</b>	<b>1,476,200</b>	<b>726,898</b>	<b>49.24%</b>	<b>(621,239)</b>	<b>2,824,337</b>	<b>454.63%</b>

**California Avocado Commission**  
**Statement of Revenues, Expenses & Changes in Net Position (Surplus/Deficit) - Actual vs. Budget**  
**For the ten months ending August 31, 2020 (with Comparison to Budget)**

	YTD		YTD Budget	YTD Actual Vs YTD Budget		Annual Budget	YTD Actual Vs Annual Budget	
	Actual	%		Var-Fav(Unfav)	% of Budget		Var-Fav(Unfav)	% of Budget
<b>Consumer Advertising</b>								
Media	2,696,805	23.26%	3,718,000	1,021,195	27.47%	3,750,000	1,053,195	28.09%
Production	315,429	2.72%	434,000	118,572	27.32%	434,000	118,572	27.32%
Online Marketing	523,664	4.52%	682,450	158,786	23.27%	721,500	197,836	27.42%
Program Administration	1,412,939	12.18%	1,412,939	-	0.00%	1,695,527	282,588	16.67%
<b>Subtotal Consumer Advertising</b>	<b>4,948,836</b>	<b>42.68%</b>	<b>6,247,389</b>	<b>1,298,553</b>	<b>20.79%</b>	<b>6,601,027</b>	<b>1,652,191</b>	<b>25.03%</b>
<b>Merchandising Promotions</b>								
Trade Relations	800,901	6.91%	869,123	68,221	7.85%	1,255,868	454,967	36.23%
Retail/Consumer Promotions	306,418	2.64%	314,400	7,982	2.54%	738,250	431,832	58.49%
Data, Research & Analysis	283,907	2.45%	292,487	8,580	2.93%	379,800	95,893	25.25%
Administration & Other	40,131	0.35%	47,460	7,329	15.44%	105,000	64,869	61.78%
<b>Subtotal Merchandising Promotions</b>	<b>1,431,357</b>	<b>12.34%</b>	<b>1,523,470</b>	<b>92,112</b>	<b>6.05%</b>	<b>2,478,918</b>	<b>1,047,561</b>	<b>42.26%</b>
<b>Foodservice</b>								
Media	118,344	1.02%	117,170	(1,174)	-1.00%	126,000	7,656	6.08%
Public Relations & Collateral Materials	37,882	0.33%	40,800	2,918	7.15%	70,700	32,818	46.42%
Foodservice Events	129,293	1.11%	128,250	(1,043)	-0.81%	307,300	178,007	57.93%
Chain Promotions	172,922	1.49%	170,300	(2,622)	-1.54%	370,000	197,078	53.26%
Education Programs	4,860	0.04%	5,600	740	13.21%	6,000	1,140	19.00%
Program Administration Fees	40,697	0.35%	43,000	2,303	5.36%	54,000	13,303	24.64%
<b>Subtotal Foodservice</b>	<b>503,998</b>	<b>4.35%</b>	<b>505,120</b>	<b>1,122</b>	<b>0.22%</b>	<b>934,000</b>	<b>430,002</b>	<b>46.04%</b>
<b>Consumer Public Relations</b>								
Brand Advocates	141,668	1.22%	152,538	10,870	7.13%	180,000	38,332	21.30%
Public Relations	534,540	4.61%	636,000	101,460	15.95%	660,000	125,460	19.01%
Program Administration	126,324	1.09%	117,646	(8,677)	-7.38%	135,000	8,676	6.43%
<b>Subtotal Public Relations</b>	<b>802,532</b>	<b>6.92%</b>	<b>906,184</b>	<b>103,652</b>	<b>11.44%</b>	<b>975,000</b>	<b>172,469</b>	<b>17.69%</b>
<b>Consumer/Trade Living Well</b>								
RDN Ambassadors	85,066	0.73%	85,583	517	0.60%	96,250	11,184	11.62%
Industry Partnerships	27,000	0.23%	27,500	500	1.82%	27,500	500	1.82%
Program Administration	7,733	0.07%	7,733	-	0.00%	11,000	3,267	29.70%
<b>Subtotal Consumer/Trade Living Well</b>	<b>119,800</b>	<b>1.03%</b>	<b>120,816</b>	<b>1,017</b>	<b>0.84%</b>	<b>134,750</b>	<b>14,950</b>	<b>11.09%</b>
<b>Marketing Activities Support</b>								
Marketing Planning	82,148	0.71%	82,830	682	0.82%	105,375	23,227	22.04%
Center for Produce Safety	-	0.00%	-	-	0.00%	5,000	5,000	100.00%
"Buy California" Marketing Campaign	25,000	0.22%	25,000	-	0.00%	25,000	-	0.00%
Festivals	108	0.00%	100	(8)	-7.74%	10,500	10,392	98.97%
<b>Subtotal Marketing Activities Support</b>	<b>107,255</b>	<b>0.92%</b>	<b>107,930</b>	<b>675</b>	<b>0.63%</b>	<b>145,875</b>	<b>38,620</b>	<b>26.47%</b>
<b>Ecommerce</b>								
Cost of Goods Sold	36,706	0.32%	36,874	168	0.46%	75,125	38,419	51.14%
Expenses - Variable	1,925	0.02%	760	(1,165)	-153.30%	42,889	40,964	95.51%
Expenses - Fees	57,490	0.50%	57,490	-	0.00%	111,490	54,000	48.43%
Expenses - Set Up	156,615	1.35%	156,615	-	0.00%	183,560	26,945	14.68%
<b>Subtotal Ecommerce</b>	<b>252,736</b>	<b>2.18%</b>	<b>251,739</b>	<b>(997)</b>	<b>-0.40%</b>	<b>413,064</b>	<b>160,328</b>	<b>38.81%</b>
<b>Subtotal Marketing Expenses</b>	<b>8,166,514</b>	<b>70.43%</b>	<b>9,662,648</b>	<b>1,496,134</b>	<b>15.48%</b>	<b>11,682,634</b>	<b>3,516,120</b>	<b>30.10%</b>

**California Avocado Commission**  
**Statement of Revenues, Expenses & Changes in Net Position (Surplus/Deficit) - Actual vs. Budget**  
**For the ten months ending August 31, 2020 (with Comparison to Budget)**

	YTD		YTD Budget	YTD Actual Vs YTD Budget		Annual Budget	YTD Actual Vs Annual Budget	
	Actual	%		Var-Fav(Unfav)	% of Budget		Var-Fav(Unfav)	% of Budget
<b>Industry Affairs</b>								
AMRIC Operation	50,964	0.44%	65,150	14,186	21.78%	82,000	31,036	37.85%
Crop Forecasting & Analysis	67,806	0.58%	130,500	62,694	48.04%	137,000	69,194	50.51%
Grower Database	2,558	0.02%	10,000	7,442	74.42%	10,000	7,442	74.42%
Grove ID GIS Project Dmnt	1,450	0.01%	2,400	950	39.58%	23,000	21,550	93.70%
Online Information (Grower Web Site)	20,720	0.18%	27,250	6,530	23.96%	35,000	14,280	40.80%
Publications	63,534	0.55%	80,030	16,496	20.61%	115,000	51,466	44.75%
Annual Meeting	17,166	0.15%	20,000	2,834	14.17%	20,000	2,834	14.17%
Annual Report	9,375	0.08%	10,000	625	6.25%	10,000	625	6.25%
Water Issues	-	0.00%	-	-	0.00%	25,000	25,000	100.00%
Field/Technical Support	1,420	0.01%	1,420	0	0.02%	65,000	63,580	97.82%
Research Program Coordination & Outre	20,000	0.17%	20,000	-	0.00%	41,000	21,000	51.22%
Legislative & Regulatory Advocacy	32,925	0.28%	32,958	33	0.10%	175,000	142,075	81.19%
Product Registrations	-	0.00%	-	-	0.00%	4,000	4,000	100.00%
Sustainability Project	10,909	0.09%	10,950	41	0.37%	50,000	39,091	78.18%
Elections	3,026	0.03%	3,100	74	2.40%	10,000	6,974	69.74%
Legal Support	11,498	0.10%	20,000	8,502	42.51%	25,000	13,502	54.01%
Governance Support	2,864	0.02%	39,000	36,136	92.66%	45,000	42,136	93.64%
Field Meetings, Seminars & Workshops	(466)	0.00%	10,000	10,466	104.66%	30,000	30,466	101.55%
Pine Tree Ranch Field Days	1,807	0.02%	4,000	2,193	54.82%	6,000	4,193	69.88%
Grower Outreach	382	0.00%	5,000	4,618	92.37%	19,200	18,818	98.01%
Online Decision Support Tools	9,933	0.09%	39,800	29,867	75.04%	39,800	29,867	75.04%
Coalition Dues, Sponsorship & Reports	11,447	0.10%	14,870	3,423	23.02%	20,000	8,553	42.77%
Grant Writing	-	0.00%	-	-	0.00%	2,500	2,500	100.00%
Travel	12,016	0.10%	43,500	31,484	72.38%	60,000	47,984	79.97%
Office Expense	2,160	0.02%	21,500	19,340	89.95%	31,500	29,340	93.14%
Committee Meeting Expense	437	0.00%	500	63	12.54%	5,000	4,563	91.25%
<b>Demonstration Grove</b>								
Pine Tree - Rent	18,946	0.16%	18,946	-	0.00%	22,837	3,891	17.04%
Pine Tree - Grove Management	26,322	0.23%	33,330	7,008	21.02%	40,000	13,678	34.19%
Pine Tree - Utilities	1,473	0.01%	4,500	3,027	67.26%	5,400	3,927	72.72%
Pine Tree - Property Tax & Insurance	1,652	0.01%	2,100	448	21.32%	2,500	848	33.91%
Pine Tree - Misc Expenses	12,320	0.11%	5,000	(7,320)	-146.39%	5,000	(7,320)	-146.39%
Pine Tree - Crop Harvesting	8,016	0.07%	5,000	(3,016)	-60.32%	5,000	(3,016)	-60.32%
Pine Tree - Crop Hauling	-	0.00%	500	500	100.00%	500	500	100.00%
Pine Tree - CAC Assessment	1,319	0.01%	740	(579)	-78.28%	740	(579)	-78.28%
Pine Tree - HAB Assessment	1,332	0.01%	700	(632)	-90.31%	700	(632)	-90.31%
<b>Subtotal Pine Tree Demonstrati</b>	<b>71,381</b>	<b>0.62%</b>	<b>70,816</b>	<b>(565)</b>	<b>-0.80%</b>	<b>82,677</b>	<b>11,296</b>	<b>13.66%</b>
<b>Subtotal Industry Affairs</b>	<b>425,311</b>	<b>3.67%</b>	<b>682,744</b>	<b>257,433</b>	<b>37.71%</b>	<b>1,168,677</b>	<b>743,366</b>	<b>63.61%</b>
<b>Production Research</b>								
Phenology of Avocado Infection by Botry	50,870	0.44%	50,870	-	0.00%	67,827	16,957	25.00%
Proactive Mgmt of Avocado Seed and St	-	0.00%	-	-	0.00%	50,000	50,000	100.00%
Proactive Biological Control of Spotted L	3,000	0.03%	3,000	-	0.00%	3,000	-	0.00%
Commercial-Scale Field Testing of Advan	89,589	0.77%	89,589	-	0.00%	145,000	55,411	38.21%
Phytophthora Resistant Avocado Rootstc	31,643	0.27%	31,643	-	0.00%	31,643	-	0.00%
Opening Roads for Micropropagation of /	24,817	0.21%	24,817	-	0.00%	47,340	22,523	47.58%
Safety and Efficacy of Herbicides in Bear	32,870	0.28%	33,390	520	1.56%	44,520	11,650	26.17%
Gem Avocado Scarring Study	15,176	0.13%	17,100	1,924	11.25%	22,100	6,924	31.33%
<b>Subtotal Production Research</b>	<b>247,965</b>	<b>2.14%</b>	<b>250,409</b>	<b>2,444</b>	<b>0.98%</b>	<b>411,430</b>	<b>163,465</b>	<b>39.73%</b>
<b>Grants</b>								
USDA Grant-TASC Program 2016-05	-	0.00%	-	-	0.00%	14,312	14,312	100.00%
USDA Grant-TASC Program 2016-009	-	0.00%	-	-	0.00%	24,336	24,336	100.00%
USDA Grant-FAS MAP South Korea	130,429	1.12%	130,430	1	0.00%	188,000	57,571	30.62%
USDA Grant-FAS MAP China	6,000	0.05%	6,000	-	0.00%	12,000	6,000	50.00%
<b>Subtotal Grants</b>	<b>136,429</b>	<b>1.18%</b>	<b>136,430</b>	<b>1</b>	<b>0.00%</b>	<b>238,648</b>	<b>102,219</b>	<b>42.83%</b>

**California Avocado Commission**  
**Statement of Revenues, Expenses & Changes in Net Position (Surplus/Deficit) - Actual vs. Budget**  
**For the ten months ending August 31, 2020 (with Comparison to Budget)**

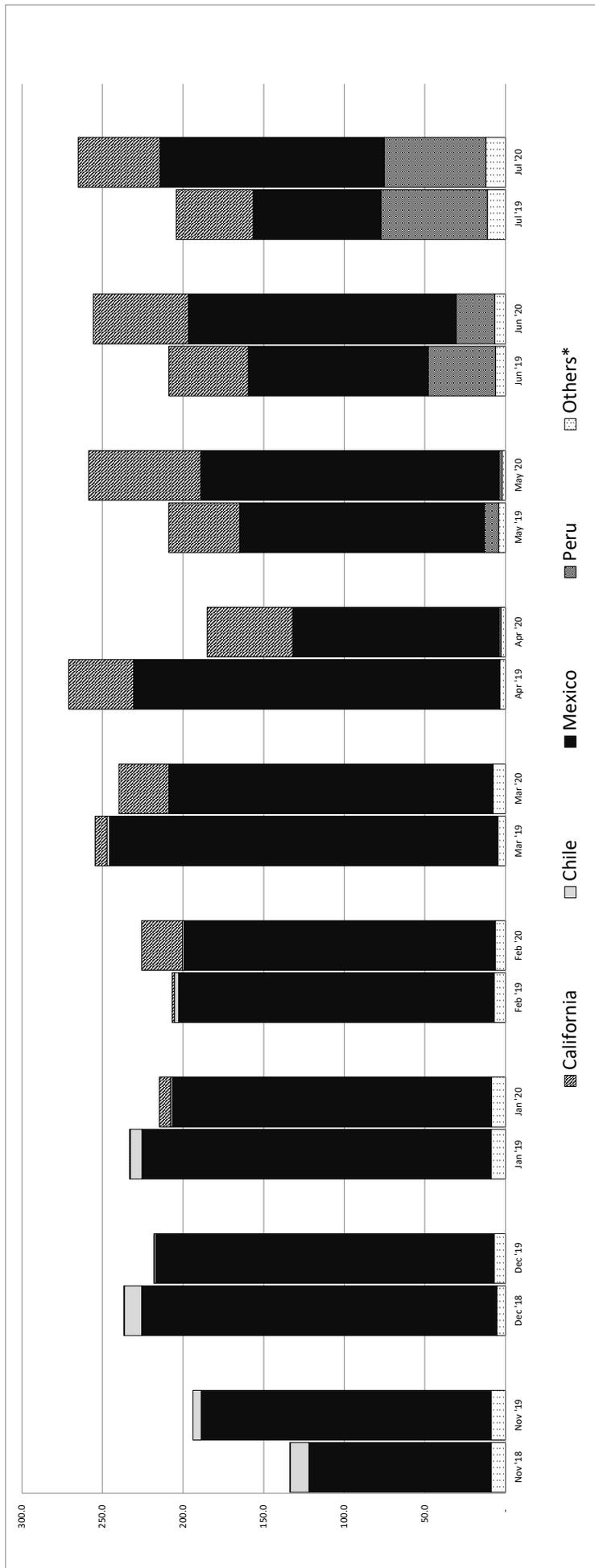
	YTD		YTD Budget	YTD Actual Vs YTD Budget		Annual Budget	YTD Actual Vs Annual Budget	
	Actual	%		Var-Fav(Unfav)	% of Budget		Var-Fav(Unfav)	% of Budget
<b>Administration</b>								
Rent-Office-CAM, Ins, Prop Tax-Mauchly	104,464	0.90%	104,747	283	0.27%	126,257	21,793	17.26%
Rent-Offsite Storage	4,256	0.04%	5,459	1,203	22.04%	6,638	2,382	35.89%
Corporate Insurance	78,512	0.68%	89,000	10,488	11.78%	89,000	10,488	11.78%
Office Expense, Supplies & Janitorial	19,487	0.17%	24,200	4,713	19.48%	34,540	15,053	43.58%
Utilities	6,859	0.06%	13,450	6,591	49.00%	16,540	9,681	58.53%
Bank Fees	11,491	0.10%	11,325	(166)	-1.47%	13,410	1,919	14.31%
Equip Maint. & Exp. and Capital Lease Ir	18,348	0.16%	22,275	3,927	17.63%	28,575	10,227	35.79%
Telephone & Postage	16,449	0.14%	25,600	9,151	35.74%	31,310	14,861	47.46%
CPA-Financial Audits	29,500	0.25%	29,500	-	0.00%	29,500	-	0.00%
CPA-Assessment Audits	-	0.00%	19,588	19,588	100.00%	19,588	19,588	100.00%
CDFA-Fiscal and Compliance Audit	8,100	0.07%	8,295	195	2.35%	8,295	195	2.35%
California Dept. of Food & Agriculture	60,872	0.52%	65,500	4,628	7.06%	76,200	15,328	20.11%
U.S. Dept. of Agriculture (AMS)	47,129	0.41%	64,500	17,371	26.93%	75,600	28,471	37.66%
Legal & Other Professional	2,617	0.02%	2,750	134	4.85%	5,000	2,384	47.67%
Salaries/Wages	1,518,056	13.09%	1,576,400	58,344	3.70%	1,850,680	332,624	17.97%
Pension, Payroll Tax & Benefits	549,426	4.74%	562,051	12,625	2.25%	686,906	137,480	20.01%
Board Member District Meetings & Exper	400	0.00%	400	-	0.00%	3,000	2,600	86.67%
Board Member Entertainment	-	0.00%	-	-	0.00%	2,000	2,000	100.00%
Board Member Travel, Lodging, Mileage,	2,188	0.02%	2,700	512	18.97%	38,000	35,812	94.24%
Board Meeting Expenses	10,343	0.09%	26,750	16,407	61.34%	30,500	20,157	66.09%
Network Maint., Hardware, Software & Li	35,753	0.31%	38,725	2,972	7.67%	49,716	13,963	28.09%
IT Support & Consulting and Other Servi	14,825	0.13%	23,100	8,275	35.82%	31,500	16,675	52.94%
Accounting & Assessment System	2,708	0.02%	2,798	90	3.21%	7,760	5,052	65.11%
Administration Staff Travel	1,099	0.01%	7,500	6,401	85.34%	9,000	7,901	87.79%
Depreciation Expense	42,899	0.37%	42,900	1	0.00%	51,480	8,581	16.67%
Pension Admin & Legal	23,049	0.20%	28,600	5,551	19.41%	42,050	19,001	45.19%
Dues, Reg, Education, Recruitment & Otl	6,754	0.06%	6,400	(354)	-5.53%	18,175	11,421	62.84%
Temporary Help	4,091	0.04%	100	(3,991)	-3991.08%	25,000	20,909	83.64%
<b>Subtotal Administration</b>	<b>2,619,674</b>	<b>22.59%</b>	<b>2,804,612</b>	<b>184,938</b>	<b>6.59%</b>	<b>3,406,220</b>	<b>786,546</b>	<b>23.09%</b>
<b>Total Expenses</b>	<b>11,595,895</b>	<b>100.00%</b>	<b>13,536,843</b>	<b>1,940,949</b>	<b>14.34%</b>	<b>16,907,609</b>	<b>5,311,714</b>	<b>31.42%</b>
<b>Surplus (Deficit)</b>	<b>2,203,098</b>	<b>100.00%</b>	<b>1,476,200</b>	<b>726,898</b>	<b>49.24%</b>	<b>(621,239)</b>	<b>2,824,337</b>	<b>454.63%</b>

## CALIFORNIA AVOCADO COMMISSION POUNDS & DOLLARS BY VARIETY

November 2019 Through July 2020

Month	Hass Pounds	Lamb Pounds	Others Pounds	Total Pounds	Hass Dollars	Lamb Dollars	Others Dollars	Total Dollars	Avg \$/Lb
Nov 2019	8,370	480	29,751	38,601	5,740	1,528	20,969	28,237	0.732
Dec 2019	14,828	374	56,726	71,928	16,705	1,479	40,592	58,776	0.817
Jan 2020	6,661,785	334	489,759	7,151,878	7,451,679	1,299	155,502	7,608,480	1.064
<b>1st QTR</b>	<b>6,684,983</b>	<b>1,188</b>	<b>576,236</b>	<b>7,262,407</b>	<b>7,474,124</b>	<b>4,306</b>	<b>217,063</b>	<b>7,695,493</b>	<b>1.060</b>
Feb 2020	25,114,486	0	202,979	25,317,465	32,435,410	0	83,912	32,519,322	1.284
Mar 2020	31,062,264	105	37,430	31,099,799	40,455,963	137	46,493	40,502,593	1.302
Apr 2020	52,921,748	970	279,812	53,202,530	63,796,676	825	303,726	64,101,227	1.205
<b>2nd QTR</b>	<b>109,098,498</b>	<b>1,075</b>	<b>520,221</b>	<b>109,619,794</b>	<b>136,688,049</b>	<b>962</b>	<b>434,131</b>	<b>137,123,142</b>	<b>1.251</b>
<b>1st Half</b>	<b>115,783,481</b>	<b>2,263</b>	<b>1,096,457</b>	<b>116,882,201</b>	<b>144,162,173</b>	<b>5,268</b>	<b>651,194</b>	<b>144,818,635</b>	<b>1.239</b>
May 2020	68,764,452	0	720,807	69,485,259	73,665,185	0	678,161	74,343,346	1.070
Jun 2020	57,387,340	987,890	602,975	58,978,205	62,440,633	987,295	394,905	63,822,833	1.082
Jul 2020	46,263,540	4,482,174	76,256	50,821,970	48,335,501	4,025,371	47,286	52,408,158	1.031
<b>3rd QTR</b>	<b>172,415,332</b>	<b>5,470,064</b>	<b>1,400,038</b>	<b>179,285,434</b>	<b>184,441,319</b>	<b>5,012,666</b>	<b>1,120,352</b>	<b>190,574,337</b>	<b>1.063</b>
<b>2nd Half</b>	<b>172,415,332</b>	<b>5,470,064</b>	<b>1,400,038</b>	<b>179,285,434</b>	<b>184,441,319</b>	<b>5,012,666</b>	<b>1,120,352</b>	<b>190,574,337</b>	<b>1.063</b>
<b>Total</b>	<b>288,198,813</b>	<b>5,472,327</b>	<b>2,496,495</b>	<b>296,167,635</b>	<b>328,603,492</b>	<b>5,017,934</b>	<b>1,771,546</b>	<b>335,392,972</b>	<b>1.132</b>
<b>Grand Total</b>								<b>335,392,972</b>	<b>1.132</b>
<b>Y-T-D (%)</b>	97.31%	1.85%	.84%	100.00%	97.98%	1.50%	.53%	100.00%	
<b>Y-T-D AVG \$/LB</b>					1.140	0.917	0.710	1.132	

**2019-20 FISCAL YEAR  
WITH PRIOR YEAR COMPARISON  
U. S. AGGREGATE AVOCADO VOLUME BY MONTH**  
All Varieties (million lbs.)



	Actual Nov '18	Actual Nov '19	Actual Dec '18	Actual Dec '19	Actual Jan '19	Actual Jan '20	Actual Feb '19	Actual Feb '20	Actual Mar '19	Actual Mar '20	Actual Apr '19	Actual Apr '20	Actual May '19	Actual May '20	Actual Jun '19	Actual Jun '20	Actual Jul '19	Actual Jul '20	YTD Total 2018-19	YTD Total 2019-20	Total 2018-19	Total 2019-20	
California	112.7	180.0	220.4	210.0	216.7	198.0	195.9	193.0	241.1	201.0	227.0	151.8	185.0	111.6	166.0	79.3	139.0	66.0	63.0	1,556.5	1,600.0	2,026.0	2,026.0
Chile	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mexico	8.8	8.8	-	6.9	8.8	8.6	6.9	6.4	4.5	7.7	3.4	2.9	2.0	4.2	24.0	11.2	6.0	5.0	117.0	90.0	178.5	89.3	
Peru	133.7	193.8	236.7	218.0	233.2	214.7	206.7	225.7	254.6	239.8	270.9	185.1	258.5	208.9	255.7	204.1	265.0	204.1	1,957.6	2,056.3	2,563.1	2,563.1	
Others*	0.1	0.1	0.2	0.1	0.5	7.1	1.5	25.3	7.5	31.1	40.2	53.2	69.5	49.4	59.0	47.6	50.8	50.8	191.0	296.1	216.5	216.5	
<b>TOTAL</b>	<b>133.7</b>	<b>193.8</b>	<b>236.7</b>	<b>218.0</b>	<b>233.2</b>	<b>214.7</b>	<b>206.7</b>	<b>225.7</b>	<b>254.6</b>	<b>239.8</b>	<b>270.9</b>	<b>185.1</b>	<b>258.5</b>	<b>208.9</b>	<b>255.7</b>	<b>204.1</b>	<b>265.0</b>	<b>204.1</b>	<b>1,957.6</b>	<b>2,056.3</b>	<b>2,563.1</b>	<b>2,563.1</b>	

\* Others = Florida and Dominican Republic  
 \*\* California is not final as of this report date  
 Source(s): CA = California Avocado Commission  
 Chile = Hass Avocado Board  
 Mexico = Hass Avocado Board  
 Peru = Hass Avocado Board  
 Others = USDA AMS and FATIUS databases



**ITEM 4.B:     **CONSIDER APPROVAL OF LETTER OF ENGAGEMENT FROM MACIAS GINI & O'CONNELL FOR FINANCIAL AUDIT SERVICES****

**SUMMARY:**

The Letter of Engagement (LOE) for the 2019-20 Financial Statement Audit Service from Macias Gini & O'Connell (MGO) is attached here for Committee review. The LOE confirms the understanding between the Commission and MGO regarding the services that MGO will provide, the audit objectives to be achieved, schedule and deliverables to be compiled, and fees for services to be performed. The LOE includes audit services only where an opinion is rendered on the financial statements. MGO will conduct the audit in accordance with auditing standards generally accepted in the U.S. and also with standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

The U.S. Department of Agriculture (USDA) has requested that Commission include the following items in the supplementary information section for the financial statement audit:

1. A Budgetary Comparison Schedule (actuals compared to the original and any revised budgets).
2. A Statement of Revenues, Expenses, and Changes in Net Assets which differentiates Federal assessment program revenues and expenses from unrestricted funds.
3. A separate schedule of program expenses (actual compared to budget) for Federal assessment rebate funds.
4. An Independent Auditor's Report on Compliance which includes assurances that MGO did not observe any violations of the Act, Order, or Guidelines for Research and Promotion Programs.

In addition to the annual Financial Statement Audit, the Commission will engage MGO to perform a fiscal and compliance assessment for fiscal year 2019-20. This is a requirement set by the California Department of Food and Agriculture (CDFA) in 2010 which aims to assess the Commission's compliance with its General Rules for Travel and Other Expenditures. The LOE for 2019-20 CDFA Fiscal and Compliance Assessment from MGO is attached here for Committee review.

**FISCAL ANALYSIS:**

If the Committee accepts MGO's LOEs for the financial statement audit and compliance assessment, the cost would be approximately \$38,300, which is comparable to last year's cost.

**COMMITTEE OPTIONS:**

- Accept the MGO LOEs for 2019-20 Financial Statement Audit & Fiscal and Compliance Assessment.
- Seek a different audit/accounting firm to perform the required services.

**STAFF RECOMMENDATION:**

- Accept the MGO LOEs for 2019-20 Financial Statement Audit & Fiscal and Compliance Assessment.

**EXHIBITS / ATTACHMENTS:**

- Letter of Engagement for 2019-20 Financial Statement Audit Services from Macias, Gini & O'Connell.
- Letter of Engagement for 2019-20 CDFA Fiscal and Compliance Assessment Services from Macias, Gini & O'Connell.



September 28, 2020

Mr. Tom Bellamore, President  
California Avocado Commission  
12 Mauchly, Suite L  
Irvine, California

The following represents our understanding of the services we will provide to the California Avocado Commission (Commission).

You have requested that we audit the financial statements of the Commission, as of October 31, 2020 and for the year then ended and the related notes, which collectively comprise the Commission's basic financial statements as of and for the year ending October 31, 2020. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on the Commission's basic financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1) Management's Discussion and Analysis

Supplementary information other than RSI will accompany the Commission's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- 1) Budgetary Comparison Schedule
- 2) Combining Statements of Revenues, Expenses, and Changes in Net Position
- 3) Schedule of Program Expenses

Also, as part of this engagement we will audit the Commission's compliance with Section V.D. of the *Guidelines for Agricultural Marketing Service (AMS) Oversight of Commodity Research and Promotion Programs* (Guidelines), dated June 2012, for the year ending October 31, 2020, related to revenues received from the Hass Avocado Board, as requested by the United States Department of Agriculture (USDA), Agriculture Marketing Service, to determine whether:

- a) No funds were used for the purpose of influencing governmental policy or action, per Section 515(d) of the Commodity Promotion Research and Information Act (Act), related to use of assessments for the purpose of influencing legislation, as that term is defined in Section 4911(d) of the Internal Revenue Code and Title 26 of the United States Code.
- b) The Commission's investment policy is in compliance with the AMS investment policy, as stated in the Guidelines, Appendix 3 – Directive 2210.2 "Investment of Public Funds" dated February 7, 2011.
- c) Funds are used only for projects and other expenses authorized in a budget approved by the USDA, per Section II of the Guide.
- d) Funds are used only in accordance with the rules, regulations and policies of the Act, the Guidelines, and the Hass Avocado Promotion, Research, and Information Order.
- e) Violations of the Act, Order or Guidelines for Research and Development Programs occurred.

A separate Report on Compliance will be issued for the criteria described above.

### **Audit of the Financial Statements**

We will conduct our audit in accordance with U.S. GAAS and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of the America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

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 basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

In making our risk assessments, we consider internal control relevant to the Commission's preparation and fair presentation of the basic 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 Commission's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of Commission's basic financial statements. Our report will be addressed to the governing body of the Commission. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the basic financial statements are 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 opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

#### **Audit of AMS Guideline Compliance**

Our audit of Commission's compliance with AMS Guidelines will be conducted in accordance U.S. GAAS and will include inquiries, observations tests of accounting records and other procedures we consider necessary to enable us to express such an opinion on compliance and to render the required report. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

We will perform tests of controls 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 the Commission. However, 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 in our report.

We will issue a report on compliance that will include an opinion or disclaimer of opinion, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

#### **MGO Responsibilities Related to COVID-19**

Notwithstanding the unprecedented circumstances resulting from the COVID-19 outbreak, we continue to have a professional obligation to gather sufficient appropriate audit evidence in support of your basic financial statements. Travel restrictions, actual or suspected infections, work from home requirements, changes – such as work force reductions - made to accommodate the current business environments, or other similar matters may result in delays in your employees' ability to provide us the necessary audit evidence on a timely basis or at all. Similarly, such matters may impact our own ability to collect or appropriately assess necessary audit evidence on a timely basis or at all.

Should such events occur, you and MGO will make good faith efforts to complete alternative procedures to gather and assess necessary audit evidence. Such procedures might include, but not be limited to, our respective employees working from home, transferring more audit information via electronic modes (preferably through our secure MGO Exchange portal), and meeting virtually rather than in-person. As to audit evidence transferred via electronic modes, you are responsible to ensure that such evidence is authentic, complete, and accurate for the purposes it is meant to serve. MGO will perform, as it deems necessary, incremental procedures to validate the authenticity, completeness, and accuracy of such audit evidence.

We will notify you if such alternative procedures require additional efforts and, if possible, an estimate of the additional cost.

In addition, the impacts from the COVID-19 outbreak may result in our inability to properly complete the engagement or require us to include such an explanatory or emphasis paragraph in our auditor's report.

### **Management Responsibilities**

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit; and
  - iii. Unrestricted access to persons within the Commission from whom we determine it necessary to obtain audit evidence.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the Commission's auditor;
- e. For identifying and ensuring that the Commission complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic 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 current year period under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any known or suspected fraud affecting the Commission involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

- k. For the design, implementation, and maintenance of internal control over compliance with AMS Guidelines;
- l. For establishing and maintaining effective internal control over compliance with AMS Guidelines that provides reasonable assurance that the Commission is managing compliance with federal statutes, regulations, and the terms and conditions of federal guidelines;
- m. For identifying and ensuring that the entity complies with AMS Guidelines and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal guidelines;
- n. For disclosing accurately, currently, and completely the Commission's compliance with AMS Guidelines;
- o. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
- p. For taking prompt action when instances of noncompliance are identified;
- q. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- r. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
- s. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letters.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

Should impacts from the COVID-19 outbreak impede the ability to provide full cooperation and access, you will instead work with us in good faith to make alternative arrangements to accomplish the objectives of our audit.

#### **Other**

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

## **Provisions of Engagement Administration, Timing and Fees**

We expect to begin our audit in December 2020 and to issue our reports no later than January 31, 2020.

Linda Hurley is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Macias Gini & O'Connell LLP's (MGO) services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

We estimate that our fee for the engagement will be \$30,000. Our fees are based on the amount of time required at various levels of responsibility. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc., included as part of our fee noted above. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Commission's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

Invoices will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not 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. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of seven (7) years from the date of our report. However, MGO does not keep any original client records; we will return those to you at the completion of the services rendered under this engagement. When those records are returned to the Commission, it is the Commission's responsibility to retain and protect the records for possible future use, including potential examination by government or regulatory agencies. By your signature below, the Commission acknowledges and agrees that upon the expiration of the seven-year period, MGO shall be free to destroy our records related to this engagement.

At the conclusion of our audit engagement, we will communicate to the Commission's Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the Commission's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;

- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management’s consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of MGO and constitutes confidential information. However, we may be requested to make certain audit documentation available to the California Department Food and Agriculture (CDFA) and USDA or its designee, a federal agency providing direct or indirect funding and/or oversight, or the U.S. Government Accountability Office, pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of MGO’s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to aforementioned parties. These parties may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

### **Third-Party Service Providers and Network Subsidiaries and Affiliates**

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.

MGO is the U.S. firm of our network of separate and independent MGO firms. MGO may, in its discretion, draw on resources of its subsidiaries and its affiliates, in each case within or outside the United States, in connection with the provision of services. The Commission agrees that MGO may provide access to information it receives in connection with this agreement to our other resources. MGO maintains all of the Commission's data within the U.S. and represents that it has internal policies, procedures, and safeguards to protect the security and confidentiality of the Commission's information. MGO will be solely responsible for the provision of the services.

### **Engagement with MGO Affiliates**

If you have or expect to engage an affiliate of MGO (see list of affiliates below) to perform services during the audit and professional engagement period (as defined below), you must notify MGO prior to entering into such engagement with the MGO affiliate. In addition, prior to signing this engagement letter, you must notify MGO of any service an MGO affiliate has performed prior to the audit and professional engagement period in order for MGO to ensure our independence in relation to this engagement. You will also be required to provide such representation within the management representation letter prior to the issuance of our report. Audit and professional engagement period includes both:

- i. The period covered by any financial statements being audited or reviewed (the “audit period”); and
- ii. The period of the engagement to audit or review the audit client's financial statements or to prepare a report to be issued (the “professional engagement period”):
  - a. The professional engagement period begins when MGO either signs an initial engagement letter (or other agreement to review or audit a client's financial statements) or begins audit, review, or attest procedures, whichever is first; and
  - b. The professional engagement period ends when the audit client or MGO terminate the engagement and the audit client is no longer a client of MGO.

**MGO Affiliates:**

MGO Group LLC  
MGO Realty Advisors, Inc.  
MGO India Private Limited  
MGO Wealth Advisors, LLC  
MGO Technology Group, LLC  
MGO Risk Management Group LLC  
Cresta Management Services, LLC  
ELLO LLC  
ELLO Capital, LLC  
ELLO Advisors, LLC  
Fiorello, LLC  
IntelliBridge Partners LLC  
Sands Lane Capital Fund I, L.P.  
Sands Lane Capital GP I, L.L.C

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities and the attached Term and Conditions (Attachment A).

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,



Macias Gini & O'Connell LLP

RESPONSE:

**California Avocado Commission**

This letter correctly sets forth our understanding. I have read this agreement, including the attached Terms and Conditions (Attachment B), and understand its terms. I am authorized to sign this agreement on behalf of the California Avocado Commission.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Macias Gini & O'Connell LLP**  
**Terms and Conditions**

I have read the attached Engagement Letter, including these Terms and Conditions, and understand its terms. I am authorized to sign the Engagement Letter on behalf of the party(ies) indicated.

These Terms and Conditions form part of the Engagement Letter under which Macias Gini & O'Connell LLP (MGO) will provide professional services to you (Client), as further described in the Engagement Letter to which this is attached. By signing the Engagement Letter, you agree to be bound by these Terms and Conditions. If you are using the services on behalf of a business, you represent, warrant, and agree that you have the authority to bind that business or entity to these terms and any policies referenced herein, including but not limited to those terms that limit MGO's liability, and require mediation and/or arbitration for potential legal disputes.

1. Dispute Resolution and Time Limitation on Claims

If any dispute arises among the parties hereto under the Engagement Letter, including these Terms and Conditions, or any claim related to a claim concerning the services provided for under this agreement or the fees charged to the extent they exceed \$25,000, the parties agree to discuss the dispute, and, if necessary, to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Rules for Professional Accounting and Related Services Disputes, or JAMS, or ADR Services, Inc. (ADR), before filing a complaint or otherwise resorting to litigation or arbitration. The parties further agree the mediation will take place at an AAA or other service provider location in the county in which the MGO office that provided the services under this agreement is located. Each party shall be responsible for its own mediation expenses, and shall share equally in the mediator's fees and expenses.

You and MGO agree that any dispute over fees charged by MGO, but only if the disputed fees are in excess of \$25,000, which cannot be resolved through the mediation process described above, will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the AAA, or JAMS or ADR, except that under all circumstances the arbitrator must follow the laws of the State in which the MGO office that provided the services under this agreement is located. The parties may mutually agree to an alternative arbitration service provider (e.g., JAMS or ADR), subject to the same requirements as those provided for at the AAA. Such arbitration shall be binding and final. THE PARTIES UNDERSTAND THAT, BY AGREEING TO ARBITRATE ALL FEE DISPUTES, EACH PARTY IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BY A JUDGE OR JURY OR COURT TRIAL AND INSTEAD ARE ACCEPTING THE USE OF BINDING, NON-JUDICIAL ARBITRATION FOR RESOLUTION. Each party will bear its own costs of arbitration and both parties shall share equally the costs of the arbitrator(s).

If the parties cannot resolve their dispute, excluding any dispute over fees, through mediation, either party may pursue action in a State Court of competent jurisdiction in which the MGO office that provided the services under this Engagement Letter is located. Each party agrees that notwithstanding any applicable statute of limitations, any claim arising out of or related to this Engagement Letter must be filed within one (1) year after the party first knows of or has reason to know the facts underlying its claim or within two (2) years following the completion of the services provided for under this agreement, whichever is shorter. This paragraph may shorten, but in no event extend, any period of limitation on actions otherwise provided by applicable law.

## 2. Limitation on Damages and Liability

Unless otherwise prohibited by law or applicable professional standard, you agree that MGO and its personnel shall not be liable to you for any claims, liabilities, or expenses, whether in contract, in tort, at law, or in equity, arising out of or relating to MGO's failure to meet its obligations under this Engagement Letter, for an aggregate amount in excess of the amount of MGO's fees actually paid to it under this Engagement Letter. Unless otherwise prohibited by law or applicable professional standard, in no event shall MGO or its personnel be liable for loss of profits, business opportunity, or any consequential, special, indirect, incidental, punitive, or exemplary damages relating to this engagement. It is acknowledged by the parties that the provisions of this Engagement Letter agreement, including the limitation on damages, have been negotiated at arms' length. This limitation on damages provision shall apply to the fullest extent of the law.

We rely in good faith on all information, assumptions, procedures and decisions communicated to us by you, your employees or your representatives, and we will not be responsible for any loss or other obligation arising from our reliance. Furthermore, the procedures we will perform in our engagement will be heavily influenced by, and dependent upon the written and oral representations and information that we receive from you. You agree that you are responsible for the accuracy and completeness of the representations and information provided to us by your employees, representatives and management, and you acknowledge that we may rely on the Commission to ensure the accuracy and completeness of the representations and information we receive from its employees, representatives and management. In view of the foregoing, the Commission agrees to release, hold harmless, indemnify and defend MGO, its partners and personnel from any claims, costs (including attorneys' fees), losses, damages, liability, judgments, awards and settlements related to, arising out of, or resulting from misrepresentations, whether false, misleading, or incomplete information provided to us during our engagement by any of your employees, representatives or members of your management, whether or not such representations were intentional or authorized by you, except to the extent it is finally judicially determined that a claim, cost, loss, damage, liability, judgment, award or settlement was the result of fraud or intentional misconduct, or violation of statutory law, on the part of MGO. This provision shall survive the termination of this agreement and the completion of our services.

## 3. Governing Law, Jurisdiction, and Severability

This agreement and its terms shall be governed by, and construed in accordance with, the laws of the State in which the MGO office that provided the services under this Engagement Letter is located. More specifically, the parties agree to the personal jurisdiction by and venue in the state and federal courts in the county in which the MGO office that provided the service is located. The parties agree to this choice of law and jurisdiction, and waive any defense based upon an inconvenient forum. This term will be enforced to the fullest extent permitted by applicable law. If any provision of this Engagement Letter, including these Terms and Conditions, is found by the court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions. However, such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this agreement.

#### 4. Subpoena and Other Release of Documents

As a result of our services to you, we may be required or requested to provide information, testimony, or documents to you or a third-party pursuant to a subpoena, court order or other administrative or legal process in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding, in which we are not a party. You agree that our efforts in complying with such requests or demands will be deemed a part of this engagement and MGO shall be entitled to additional compensation, and not limited to the budgeted or estimated fees and costs for the services provided for under the Engagement Letter, for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

#### 5. Use of Electronic Communication and Cloud-based Computing

In the performance of our professional services, we may communicate with each other and/or with others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used by an unintended third party, we cannot guarantee that such email communication will be properly delivered and read only by the addressee. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent. Therefore, you hereby waive any liability whatsoever for any unintended interception or unintentional disclosure of email transmissions in connection with the performance of our professional services. MGO uses cloud-based computing services, including the storage of data and files, at third party, offsite, secure facilities. 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 and cloud-based computing, including any direct or indirect damages that may result from any inadvertent or unanticipated disclosure of confidential or proprietary information, or disclosure through third party criminal conduct (e.g., hackers or hacking activities).

#### 6. Privacy Policy

You are aware of, have had an opportunity to review, and consent to, MGO's Online Privacy Policy, which in compliance with the California Consumer Protection Act explains how MGO collects, uses, and protects personal information you provide to MGO, and explains your rights related thereto. MGO's Privacy policy also is in compliance with all applicable federal, state and local privacy and consumer protection laws and regulations. This is a link to MGO's Privacy Policy: <https://www.mgocpa.com/privacy>

#### 7. Independence

If applicable to you and the services to be provided to you pursuant to the Engagement Letter, professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the client in the performance of our services. Any discussions that your representatives have with professional personnel of MGO regarding employment could pose a threat to our independence. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Moreover, to the extent that you have engaged a company affiliated with MGO to provide services related to your efforts to identify, interview, and hire officers, directors, or management, or related human resource efforts on your behalf, you agree to inform MGO so that MGO can evaluate whether there are any potential or actual independence considerations that may preclude, or otherwise limit the services MGO is able to perform. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

If we provide both attest and non-attest services to you, then in order to maintain our independence, you assume all management responsibilities for any non-attest services that we provide as part of the Services. You will designate a qualified individual with suitable skill, knowledge, or experience, from your senior management to oversee the non-attest services, evaluate the adequacy and results of the non-attest services, and accept responsibility for such services.

#### 8. Hiring of MGO Personnel

If you hire one of our personnel directly from MGO during the performance of our services or within ninety (90) days after the completion of our services, where this is not prohibited by the SEC rules, if applicable, you agree to pay us a fee of Twenty-Five Percent (25%) of that individual's base compensation within sixty (60) days from the first day of employment.

#### 9. Billing Policy

Each invoice is due and payable upon presentation and becomes past due after 30 days. An administrative charge of 1.5% per month may be charged on the unpaid balance outstanding over sixty (60) days past due.

#### 10. Termination of Services and Withdrawal

We may terminate this agreement and withdraw from providing further services if (a) any invoice become delinquent; (b) we become aware of any criminal, fraudulent, or similar acts by you or your management, the Client, or its management is accused of or becomes the subject of an investigation by any governmental entity of criminal fraudulent or similar acts which causes us to have reasonable doubt as to the integrity of the Client or management; (c) you fail to provide us with information we request; (d) you cause a substantial delay in our engagement work or we are unable to complete the engagement or are unable to form an opinion for reasons beyond our control; (e) you violate any of the terms of this agreement or the Engagement Letter; or (f) we are no longer able to satisfy our professional obligations regarding independence or conflicts of interest, or pursuant to applicable professional standards, or statutes. If we withdraw for any reasons, you agree to pay all of our fees for work performed and expenses incurred through the effective date of our withdrawal.

#### 11. Force Majeure

MGO shall not be liable for breach of this agreement or the Engagement Letter caused by circumstances beyond our reasonable control, including but not limited to the Client's unwillingness, or failure to provide information necessary for the services to be completed.

#### 12. Assignment

The Client shall not assign any rights, obligations or claims relating to this agreement or the Engagement Letter.

### 13. Independent Contractor

The services MGO provides to you are that of any independent contractor, and not as your employee, agent, partner, joint venture, or otherwise. Neither you nor we have a right, power, or authority to bind the other.

### 14. General Provisions

Client and MGO acknowledge and agree that all prior understandings, representations, and agreements heretofore made or reached by them are merged into this agreement, which alone fully and completely expresses their agreement. Any such prior understandings, representations and agreements are void and nonactionable. This agreement may be amended or modified only by a written agreement signed by you and MGO. In the event that there is a conflict between these Terms and Conditions and the Engagement Letter, the terms of the Engagement Letter shall control.

This agreement is a private agreement that has been specifically tailored to the interests of you and MGO in the transaction and subject matter it addresses, and it does not, and is not intended to contemplate, touch upon or affect the general public or matters of public interest or necessity. You and MGO have the right and the opportunity to review, revise, and consult with counsel concerning the provisions of this agreement, and it is acknowledged that both parties possess relatively equal capacity and resources to negotiate and bargain for the provisions contained in this agreement. It is further acknowledged that neither party has control over the property, interests or rights of the other, and that no fiduciary relationship exists between them.

Because both parties have had the right to review and revise this agreement, the rule of construction that any ambiguities are to be construed against the drafting party shall not be employed in interpreting this agreement. To the extent any provision or term of this agreement is held unenforceable, the remaining terms and provisions shall remain in full force and effect, and enforceable.

This agreement may be executed in several counterparts which, when taken together, shall constitute the entire agreement. A facsimile or electronic signature shall be treated as an original signature, provided that the party providing the facsimile or electronic signature shall be responsible for obtaining an ink signature that will be provided to the other party(ies) immediately upon request.

### 15. Non-CPA Owner Notice Requirement

MGO is owned by professionals who hold CPA licenses as well as by professionals who are not licensed CPAs. Therefore, depending on the nature of the services being provided, non-CPA owners may be involved in providing certain services hereunder.



September 28, 2020

Mr. Tom Bellamore, President  
California Avocado Commission  
12 Mauchly, Suite L  
Irvine, California

Mr. Ben Kardokus, Senior Ag. Economist  
CDFA, Marketing Branch  
2800 Gateway Oaks Drive  
Sacramento, California

This letter sets forth our understanding for applying agreed-upon procedures to the California Avocado Commission's (Commission) compliance with the California Department of Food and Agriculture's (CDFA) accounting guidelines and general rules (Guidelines) effective October 1, 2009, and the Commission's internal policies and procedures for the year ending October 31, 2020.

This engagement is solely for the purpose of reporting our findings in regards to the results of the procedures performed as compared to the specified criteria outlined in the Manual for Performing Agreed Upon Procedures for California Marketing Programs, as listed in the attached schedule (Attachment A). The procedures we will perform have been agreed to by the Commission's management, Board of Directors and the CDFA. We will apply the procedures listed in the Attachment A.

We will conduct our engagement in accordance with the attestation standards for agreed-upon procedures engagements of the American Institute of Certified Public Accountants. We are responsible for carrying out the procedures and reporting findings in accordance with these standards. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation as to the sufficiency of these procedures for the purposes of the specified parties or for any other purpose.

The agreed-upon procedures to be performed do not constitute an examination or review of the subject matter. Accordingly, we will not express an opinion or conclusion on the Commission's compliance with the Guidelines. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule. If we did perform additional procedures, other matters might come to our attention that would be reported to you.

Our report will list the procedures performed and our findings. Our report will be addressed to the Commission's Board of Directors and will be intended for use by and restricted to the use of the specified parties as identified above. Our report will contain such restricted-use language.

Should we have any reservations with respect to the subject matter, we will discuss them with specified parties before the report is issued.

We have no responsibility to update our report for events and circumstances occurring after the date of our report.

As part of our engagement, we will request from Commission management, written confirmation concerning representations made to us in connection with the agreed upon procedures that, among other things, will confirm management's responsibility for the presentation of the Commission's compliance in accordance with the Guidelines.

The Commission is responsible for the presentation of the Commission's compliance in accordance with the Guidelines; and the specified parties are responsible for selecting the criteria and determining that such criteria and procedures are appropriate for their purposes. The Commission is responsible for assuming all management responsibilities and for overseeing the agreed upon procedures we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition, the Commission is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

The Commission is also responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed upon procedures on the subject matter; (2) additional information that we may request for the purposes of performing the agreed upon procedures; and (3) unrestricted access to persons within the Commission from whom we determine it necessary to obtain evidence relating to performing those procedures.

We plan to begin our procedures in December 2020 and, unless unforeseeable problems are encountered, the engagement should be completed by January 31, 2021.

Linda Hurley is the engagement partner for the services specified in this letter. Her responsibilities include supervising Macias Gini & O'Connell LLP's (MGO) services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the agreed-upon procedures report.

We estimate that our fee for the engagement will be \$8,300. Our fees are based on the amount of time required at various levels of responsibility. The Commission will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc., included as part of our fee noted above. The fee estimate is based on anticipated cooperation from the Commission personnel and the assumption that unexpected circumstances will not be encountered during the engagement. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Invoices will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not resumed until the Commission's 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. The Commission will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We will maintain the confidentiality of the Commission's personal information and will apply procedures to protect against any unauthorized release of the Commission's personal information to third parties.

We agree to retain our attest documentation or work papers for a period of seven (7) years. However, MGO does not keep any original client records; we will return those to the Commission at the completion of the services rendered under this engagement. When those records are returned to the Commission, it is the Commission's responsibility to retain and protect the records for possible future use, including potential examination by government or regulatory agencies. By the Commission's signature below, the Commission acknowledges and agrees that upon the expiration of the seven-year period, MGO shall be free to destroy our records related to this engagement.

## **MGO Responsibilities Related to COVID-19**

Notwithstanding the unprecedented circumstances resulting from the COVID-19 outbreak, we continue to have a professional obligation to gather sufficient appropriate attest evidence to complete the agreed upon procedures. Travel restrictions, actual or suspected infections, work from home requirements, changes – such as work force reductions - made to accommodate the current business environments, or other similar matters may result in delays in your employees’ ability to provide us the necessary attest evidence on a timely basis or at all. Similarly, such matters may impact our own ability to collect or appropriately assess necessary attest evidence on a timely basis or at all.

Should such events occur, you and MGO will make good faith efforts to complete alternative procedures to gather and assess necessary attest evidence. Such procedures might include, but not be limited to, our respective employees working from home, transferring more information via electronic modes (preferably through our secure MGO Exchange portal), and meeting virtually rather than in-person. As to attest evidence transferred via electronic modes, you are responsible to ensure that such attest evidence is authentic, complete, and accurate for the purposes it is meant to serve. MGO will perform, as it deems necessary, incremental procedures to validate the authenticity, completeness, and accuracy of such attest evidence.

We will notify you if such alternative procedures require additional efforts and, if possible, an estimate of the additional cost.

In addition, the impacts from the COVID-19 outbreak may result in our inability to properly complete the engagement.

## **Engagement with MGO Affiliates**

If the Commission has or expects to engage an affiliate of MGO (see list of affiliates below) to perform services during the attestation and professional engagement period (as defined below), the Commission must notify MGO prior to entering into such engagement with the MGO affiliate. In addition, prior to signing this engagement letter, the Commission must notify MGO of any service an MGO affiliate has performed prior to the attestation and professional engagement period in order for MGO to ensure our independence in relation to this engagement. The Commission will also be required to provide such representation within the management representation letter prior to the issuance of our report. The attestation and professional engagement period includes both:

- i. The period covered by any attestation engagement (the “attestation period”); and
- ii. The period of the attestation engagement (the “professional engagement period”):
  - a. The professional engagement period begins when MGO either signs an initial engagement letter (or other agreement to provide attestation services) or begins the attest procedures, whichever is first; and
  - b. The professional engagement period ends when the attest client or MGO terminate the engagement and the attest client is no longer a client of MGO.

**MGO Affiliates:**

MGO Group LLC  
MGO Realty Advisors, Inc.  
MGO India Private Limited  
MGO Wealth Advisors, LLC  
MGO Technology Group, LLC  
MGO Risk Management Group LLC  
Cresta Management Services, LLC  
ELLO LLC  
ELLO Capital, LLC  
ELLO Advisors, LLC  
Fiorello, LLC  
IntelliBridge Partners LLC  
Sands Lane Capital Fund I, L.P.  
Sands Lane Capital GP I, L.L.C

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our engagement including our respective responsibilities and the attached Term and Conditions (Attachment B). If you have any questions, please let us know.

We appreciate the opportunity to be of service to the Commission and look forward to working with the Commission staff.

Respectfully,

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, slightly stylized font.

Macias Gini & O'Connell LLP

RESPONSE:

**California Avocado Commission**

This letter correctly sets forth our understanding. I have read this agreement, including the attached Terms and Conditions (Attachment B), and understand its terms. I am authorized to sign this agreement on behalf of the California Avocado Commission.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**California Department of Food and Agriculture (CDFA)**

The scope of this letter and the specified procedures listed in Attachment A are sufficient for purposes of the CDFA's oversight responsibility of the California Avocado Commission's compliance with the CDFA's accounting guidelines and general rules outlined in the Manual for Performing Agreed Upon Procedures for California Marketing Programs.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Agreed-Upon Procedures to be Performed**

1. Select a haphazard sample of 60 expenditures from the expense accounts listed below for the period of November 1, 2019 to October 31, 2020, to confirm that expenses were made in accordance with Section IV, Purchases and Invoices, and Section V, Travel, Entertainment, and Related Expenses, of the CDFR Accounting Guidelines and the Commission's internal policies and procedures.
  - a. Travel and Lodging
  - b. Meals & Entertainment
  - c. Employee use of Program-owned Vehicles
  - d. Financial Transactions between Entities
  - e. Contracts
2. Inquire with Commission management whether the Commission owns or leases any vehicles. If so, confirm that the values of personal use of Commission-owned or leased vehicles are in accordance with IRS regulations. Trace the value to inclusion in taxable income as reported on the employee's W-2.
3. If Commission staff and office resources are also dedicated to managing other entities on behalf of assessment payers for the period of November 1, 2019 to October 31, 2020, perform the following:
  - a. Identify the mission of each ancillary organization.
  - b. Inspect the accounting systems and procedures to confirm that an adequate firewall exists between the marketing program's books and those for other organizations.
  - c. Inquire with Commission management that a memorandum of understanding exists between the marketing program and ancillary organizations to share administrative costs and that documentation exists to justify proper proration of such costs.
  - d. Select one sample of financial transactions between related entities to confirm they were made in compliance with the memorandum of understanding.
  - e. Inquire with Commission management whether there are conflicts of interest that exist between management and the ancillary organizations.
4. Inquire with Commission management whether the Commission has policies and procedures for purchasing and contracts. Select a sample (1/3 of the total population) of purchase orders and contracts to confirm that vendors are selected in accordance with Section IV, *Purchases and Invoices*, of the CDFR Guidelines and the Commission's internal policies and procedures.
5. Identify controls for each cycle itemized below as listed in the Guidelines, and compare the controls to the Commission's current internal control procedures as documented in the Commission's Accounting Policies and Procedures Manual. Select one transaction from each process below and observe that each control was performed.
  - a. General ledger and bank reconciliation oversight.
  - b. Safety of property
  - c. Cash receipts
  - d. Cash disbursements
  - e. Travel, lodging, and meals

**Macias Gini & O'Connell LLP  
Terms and Conditions**

I have read the attached Engagement Letter, including these Terms and Conditions, and understand its terms. I am authorized to sign the Engagement Letter on behalf of the party(ies) indicated.

These Terms and Conditions form part of the Engagement Letter under which Macias Gini & O'Connell LLP (MGO) will provide professional services to you (Client), as further described in the Engagement Letter to which this is attached. By signing the Engagement Letter, you agree to be bound by these Terms and Conditions. If you are using the services on behalf of a business, you represent, warrant, and agree that you have the authority to bind that business or entity to these terms and any policies referenced herein, including but not limited to those terms that limit MGO's liability, and require mediation and/or arbitration for potential legal disputes.

1. Dispute Resolution and Time Limitation on Claims

If any dispute arises among the parties hereto under the Engagement Letter, including these Terms and Conditions, or any claim related to a claim concerning the services provided for under this agreement or the fees charged to the extent they exceed \$25,000, the parties agree to discuss the dispute, and, if necessary, to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Rules for Professional Accounting and Related Services Disputes, or JAMS, or ADR Services, Inc. (ADR), before filing a complaint or otherwise resorting to litigation or arbitration. The parties further agree the mediation will take place at an AAA or other service provider location in the county in which the MGO office that provided the services under this agreement is located. Each party shall be responsible for its own mediation expenses, and shall share equally in the mediator's fees and expenses.

You and MGO agree that any dispute over fees charged by MGO, but only if the disputed fees are in excess of \$25,000, which cannot be resolved through the mediation process described above, will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the AAA, or JAMS or ADR, except that under all circumstances the arbitrator must follow the laws of the State in which the MGO office that provided the services under this agreement is located. The parties may mutually agree to an alternative arbitration service provider (e.g., JAMS or ADR), subject to the same requirements as those provided for at the AAA. Such arbitration shall be binding and final. **THE PARTIES UNDERSTAND THAT, BY AGREEING TO ARBITRATE ALL FEE DISPUTES, EACH PARTY IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BY A JUDGE OR JURY OR COURT TRIAL AND INSTEAD ARE ACCEPTING THE USE OF BINDING, NON-JUDICIAL ARBITRATION FOR RESOLUTION.** Each party will bear its own costs of arbitration and both parties shall share equally the costs of the arbitrator(s).

If the parties cannot resolve their dispute, excluding any dispute over fees, through mediation, either party may pursue action in a State Court of competent jurisdiction in which the MGO office that provided the services under this Engagement Letter is located. Each party agrees that notwithstanding any applicable statute of limitations, any claim arising out of or related to this Engagement Letter must be filed within one (1) year after the party first knows of or has reason to know the facts underlying its claim or within two (2) years following the completion of the services provided for under this agreement, whichever is shorter. This paragraph may shorten, but in no event extend, any period of limitation on actions otherwise provided by applicable law.

## 2. Limitation on Damages and Liability

Unless otherwise prohibited by law or applicable professional standard, you agree that MGO and its personnel shall not be liable to you for any claims, liabilities, or expenses, whether in contract, in tort, at law, or in equity, arising out of or relating to MGO's failure to meet its obligations under this Engagement Letter, for an aggregate amount in excess of the amount of MGO's fees actually paid to it under this Engagement Letter. Unless otherwise prohibited by law or applicable professional standard, in no event shall MGO or its personnel be liable for loss of profits, business opportunity, or any consequential, special, indirect, incidental, punitive, or exemplary damages relating to this engagement. It is acknowledged by the parties that the provisions of this Engagement Letter agreement, including the limitation on damages, have been negotiated at arms' length. This limitation on damages provision shall apply to the fullest extent of the law.

We rely in good faith on all information, assumptions, procedures and decisions communicated to us by you, your employees or your representatives, and we will not be responsible for any loss or other obligation arising from our reliance. Furthermore, the procedures we will perform in our engagement will be heavily influenced by, and dependent upon the written and oral representations and information that we receive from you. You agree that you are responsible for the accuracy and completeness of the representations and information provided to us by your employees, representatives and management, and you acknowledge that we may rely on the California Avocado Commission to ensure the accuracy and completeness of the representations and information we receive from its employees, representatives and management. In view of the foregoing, the California Avocado Commission agree(s) to release, hold harmless, indemnify and defend MGO, its partners and personnel from any claims, costs (including attorneys' fees), losses, damages, liability, judgments, awards and settlements related to, arising out of, or resulting from misrepresentations, whether false, misleading, or incomplete information provided to us during our engagement by any of your employees, representatives or members of your management, whether or not such representations were intentional or authorized by you, except to the extent it is finally judicially determined that a claim, cost, loss, damage, liability, judgment, award or settlement was the result of fraud or intentional misconduct, or violation of statutory law, on the part of MGO. This provision shall survive the termination of this agreement and the completion of our services.

## 3. Governing Law, Jurisdiction, and Severability

This agreement and its terms shall be governed by, and construed in accordance with, the laws of the State in which the MGO office that provided the services under this Engagement Letter is located. More specifically, the parties agree to the personal jurisdiction by and venue in the state and federal courts in the county in which the MGO office that provided the service is located. The parties agree to this choice of law and jurisdiction, and waive any defense based upon an inconvenient forum. This term will be enforced to the fullest extent permitted by applicable law. If any provision of this Engagement Letter, including these Terms and Conditions, is found by the court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions. However, such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this agreement.

#### 4. Subpoena and Other Release of Documents

As a result of our services to you, we may be required or requested to provide information, testimony, or documents to you or a third-party pursuant to a subpoena, court order or other administrative or legal process in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding, in which we are not a party. You agree that our efforts in complying with such requests or demands will be deemed a part of this engagement and MGO shall be entitled to additional compensation, and not limited to the budgeted or estimated fees and costs for the services provided for under the Engagement Letter, for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

#### 5. Use of Electronic Communication and Cloud-based Computing

In the performance of our professional services, we may communicate with each other and/or with others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used by an unintended third party, we cannot guarantee that such email communication will be properly delivered and read only by the addressee. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent. Therefore, you hereby waive any liability whatsoever for any unintended interception or unintentional disclosure of email transmissions in connection with the performance of our professional services. MGO uses cloud-based computing services, including the storage of data and files, at third party, offsite, secure facilities. 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 and cloud-based computing, including any direct or indirect damages that may result from any inadvertent or unanticipated disclosure of confidential or proprietary information, or disclosure through third party criminal conduct (e.g., hackers or hacking activities).

#### 6. Privacy Policy

You are aware of, have had an opportunity to review, and consent to, MGO's Online Privacy Policy, which in compliance with the California Consumer Protection Act explains how MGO collects, uses, and protects personal information you provide to MGO, and explains your rights related thereto. MGO's Privacy policy also is in compliance with all applicable federal, state and local privacy and consumer protection laws and regulations. This is a link to MGO's Privacy Policy: <https://www.mgocpa.com/privacy>

#### 7. Independence

If applicable to you and the services to be provided to you pursuant to the Engagement Letter, professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the client in the performance of our services. Any discussions that your representatives have with professional personnel of MGO regarding employment could pose a threat to our independence.. This may include not only current employees of MGO, but also former employees and employees of other firms who work under our direction. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Moreover, to the extent that you have engaged a company affiliated with MGO to provide services related to your efforts to identify, interview, and hire officers, directors, or management, or related human resource efforts on your behalf, you agree to inform MGO so that MGO can evaluate whether there are any potential or actual independence considerations that may preclude, or otherwise limit the services MGO is able to perform. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

If we provide both attest and non-attest services to you, then in order to maintain our independence, you assume all management responsibilities for any non-attest services that we provide as part of the Services. You will designate a qualified individual with suitable skill, knowledge, or experience, from your senior management to oversee the non-attest services, evaluate the adequacy and results of the non-attest services, and accept responsibility for such services.

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If you hire one of our personnel directly from MGO during the performance of our services or within ninety (90) days after the completion of our services, where this is not prohibited by the SEC rules, if applicable, you agree to pay us a fee of Twenty-Five Percent (25%) of that individual's base compensation within sixty (60) days from the first day of employment.

#### 9. Billing Policy

Each invoice is due and payable upon presentation and becomes past due after 30 days. An administrative charge of 1.5% per month may be charged on the unpaid balance outstanding over sixty (60) days past due.

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We may terminate this agreement and withdraw from providing further services, if (a) any invoice become delinquent; (b) we become aware of any criminal, fraudulent, or similar acts by you or your management, the Client, or its management is accused of or becomes the subject of an investigation by any governmental entity of criminal fraudulent or similar acts which causes us to have reasonable doubt as to the integrity of the Client or management; (c) you fail to provide us with information we request; (d) you cause a substantial delay in our engagement work or we are unable to complete the engagement or are unable to form an opinion for reasons beyond our control; (e) you violate any of the terms of this agreement or the Engagement Letter; or (f) we are no longer able to satisfy our professional obligations regarding independence or conflicts of interest, or pursuant to applicable professional standards, or statutes. If we withdraw for any reasons, you agree to pay all of our fees for work performed and expenses incurred through the effective date of our withdrawal.

#### 11. Force Majeure

MGO shall not be liable for breach of this agreement or the Engagement Letter caused by circumstances beyond our reasonable control, including but not limited to the Client's unwillingness, or failure to provide information necessary for the services to be completed.

#### 12. Assignment

The Client shall not assign any rights, obligations or claims relating to this agreement or the Engagement Letter.

### 13. Independent Contractor

The services MGO provides to you are that of any independent contractor, and not as your employee, agent, partner, joint venture, or otherwise. Neither you nor we have a right, power, or authority to bind the other.

### 14. General Provisions

Client and MGO acknowledge and agree that all prior understandings, representations, and agreements heretofore made or reached by them are merged into this agreement, which alone fully and completely expresses their agreement. Any such prior understandings, representations and agreements are void and nonactionable. This agreement may be amended or modified only by a written agreement signed by you and MGO. In the event that there is a conflict between these Terms and Conditions and the Engagement Letter, the terms of the Engagement Letter shall control.

This agreement is a private agreement that has been specifically tailored to the interests of you and MGO in the transaction and subject matter it addresses, and it does not, and is not intended to contemplate, touch upon or affect the general public or matters of public interest or necessity. You and MGO have the right and the opportunity to review, revise, and consult with counsel concerning the provisions of this agreement, and it is acknowledged that both parties possess relatively equal capacity and resources to negotiate and bargain for the provisions contained in this agreement. It is further acknowledged that neither party has control over the property, interests or rights of the other, and that no fiduciary relationship exists between them.

Because both parties have had the right to review and revise this agreement, the rule of construction that any ambiguities are to be construed against the drafting party shall not be employed in interpreting this agreement. To the extent any provision or term of this agreement is held unenforceable, the remaining terms and provisions shall remain in full force and effect, and enforceable.

This agreement may be executed in several counterparts which, when taken together, shall constitute the entire agreement. A facsimile or electronic signature shall be treated as an original signature, provided that the party providing the facsimile or electronic signature shall be responsible for obtaining an ink signature that will be provided to the other party(ies) immediately upon request.

### 15. Non-CPA Owner Notice Requirement

MGO is owned by professionals who hold CPA licenses as well as by professionals who are not licensed CPAs. Therefore, depending on the nature of the services being provided, non-CPA owners may be involved in providing certain services hereunder.



**FINANCE COMMITTEE MEETING, October 6, 2020**

**COMMITTEE INFORMATION**

**ITEM 4.C: CASH DISBURSEMENT AUDIT – August 2020 – September 2020**

**Check History Report**  
**Sorted By Vendor Name**  
**Activity From: 8/1/2020 to 9/30/2020**

**California Avocado Commission (CAC)**

Bank Code	Description	Check Number	Check Date	Check Amount	Check Type
<b>Vendor Number: ADSO1 Advantage Solutions</b>					
C	Bank of the West	E04368	8/12/2020	50,000.00	
				<b>Vendor Advantage Solutions Total:</b>	50,000.00
<b>Vendor Number: ALPA1 Allied Packaging Corporation</b>					
C	Bank of the West	E04380	8/19/2020	7,597.24	
				<b>Vendor Allied Packaging Corporation Total:</b>	7,597.24
<b>Vendor Number: POMA1 Alpine Postmaster</b>					
C	Bank of the West	031340	9/30/2020	725.00	Auto
				<b>Vendor Alpine Postmaster Total:</b>	725.00
<b>Vendor Number: AMCO1 AMAZON</b>					
C	Bank of the West	NC796	8/14/2020	571.83	Manual
C	Bank of the West	NC820	9/21/2020	727.98	Manual
				<b>Vendor AMAZON Total:</b>	1,299.81
<b>Vendor Number: AMEX1 American Express</b>					
C	Bank of the West	NC795	8/14/2020	3,475.26	Manual
C	Bank of the West	NC819	9/17/2020	9,354.88	Manual
				<b>Vendor American Express Total:</b>	12,830.14
<b>Vendor Number: ANSA1 Anderson Food Sales/Marketing</b>					
C	Bank of the West	E04348	8/6/2020	6,500.00	
C	Bank of the West	E04391	9/2/2020	6,500.00	
				<b>Vendor Anderson Food Sales/Marketing Total:</b>	13,000.00
<b>Vendor Number: FRASA1 Angela Fraser</b>					
C	Bank of the West	E04356	8/6/2020	886.86	
				<b>Vendor Angela Fraser Total:</b>	886.86
<b>Vendor Number: DANAA1 Anne M. Danahy</b>					
C	Bank of the West	031337	9/30/2020	1,325.00	Auto
				<b>Vendor Anne M. Danahy Total:</b>	1,325.00
<b>Vendor Number: AYMAA1 April Aymami</b>					
C	Bank of the West	E04369	8/12/2020	89.48	
C	Bank of the West	E04421	9/17/2020	89.48	
				<b>Vendor April Aymami Total:</b>	178.96
<b>Vendor Number: ATT6 AT&amp;T</b>					
C	Bank of the West	031318	8/27/2020	0.08	Auto
				<b>Vendor AT&amp;T Total:</b>	0.08
<b>Vendor Number: ATT3 AT&amp;T Mobility</b>					
C	Bank of the West	NC797	8/14/2020	221.72	Manual
C	Bank of the West	NC808	8/28/2020	201.26	Manual
				<b>Vendor AT&amp;T Mobility Total:</b>	422.98
<b>Vendor Number: AVMA1 Avocado Marketing Services Inc</b>					
C	Bank of the West	E04349	8/6/2020	40.00	
C	Bank of the West	E04381	8/19/2020	225.00	
C	Bank of the West	E04392	9/2/2020	40.00	
C	Bank of the West	E04451	9/30/2020	225.00	
				<b>Vendor Avocado Marketing Services Inc Total:</b>	530.00
<b>Vendor Number: BARO1 Ballard, Rosenberg,Golper, Sav</b>					
C	Bank of the West	E04442	9/24/2020	1,767.00	
				<b>Vendor Ballard, Rosenberg,Golper, Sav Total:</b>	1,767.00
<b>Vendor Number: BAWE1 Bank of the West</b>					
C	Bank of the West	NC801	8/20/2020	811.47	Manual
C	Bank of the West	NC821	9/21/2020	222.63	Manual
				<b>Vendor Bank of the West Total:</b>	1,034.10
<b>Vendor Number: BEMA1 Beneficial Maintenance Service</b>					

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Bank Code	Description	Check Number	Check Date	Check Amount	Check Type
C	Bank of the West	E04351	8/6/2020	367.00	
C	Bank of the West	E04406	9/9/2020	367.00	
<b>Vendor Beneficial Maintenance Service Total:</b>				<u>734.00</u>	
<b>Vendor Number: BRFA1 Bristol Farms</b>					
C	Bank of the West	E04394	9/2/2020	3,500.00	
<b>Vendor Bristol Farms Total:</b>				<u>3,500.00</u>	
<b>Vendor Number: BRNU1 Brokaw Nursery</b>					
C	Bank of the West	E04352	8/6/2020	2,512.50	
C	Bank of the West	E04395	9/2/2020	421.20	
<b>Vendor Brokaw Nursery Total:</b>				<u>2,933.70</u>	
<b>Vendor Number: BUCA1 Buy California Mkting Agreemnt</b>					
C	Bank of the West	031319	8/27/2020	12,500.00	Auto
<b>Vendor Buy California Mkting Agreemnt Total:</b>				<u>12,500.00</u>	
<b>Vendor Number: CAPO1 Cal Poly Pomona Foundation</b>					
C	Bank of the West	E04394	8/27/2020	1,945.00	
C	Bank of the West	E04396	9/2/2020	1,334.41	
C	Bank of the West	E04452	9/30/2020	1,945.00	
<b>Vendor Cal Poly Pomona Foundation Total:</b>				<u>5,224.41</u>	
<b>Vendor Number: CAEX1 Cal. Agric. Export Council</b>					
C	Bank of the West	E04407	9/9/2020	20,700.00	
<b>Vendor Cal. Agric. Export Council Total:</b>				<u>20,700.00</u>	
<b>Vendor Number: CAGR2 Calavo Growers, Inc.</b>					
C	Bank of the West	E04422	9/17/2020	208,711.41	
<b>Vendor Calavo Growers, Inc. Total:</b>				<u>208,711.41</u>	
<b>Vendor Number: CAAV3 California Avocado Society</b>					
C	Bank of the West	031320	8/27/2020	2,000.00	Auto
C	Bank of the West	031333	9/30/2020	1,000.00	Auto
<b>Vendor California Avocado Society Total:</b>				<u>3,000.00</u>	
<b>Vendor Number: CSUN1 California State University Northridge</b>					
C	Bank of the West	E04398	9/2/2020	40.00	
<b>Vendor California State University Northridge Total:</b>				<u>40.00</u>	
<b>Vendor Number: CACA2 Cash &amp; Carry Stores, LLC</b>					
C	Bank of the West	E04393	8/27/2020	6,000.00	
<b>Vendor Cash &amp; Carry Stores, LLC Total:</b>				<u>6,000.00</u>	
<b>Vendor Number: CBEO1 CBE Office Solutions</b>					
C	Bank of the West	E04353	8/6/2020	20.58	
C	Bank of the West	E04424	9/17/2020	69.12	
<b>Vendor CBE Office Solutions Total:</b>				<u>89.70</u>	
<b>Vendor Number: DEOF3 CDFA Cashier</b>					
C	Bank of the West	031322	8/27/2020	6,737.67	Auto
<b>Vendor CDFA Cashier Total:</b>				<u>6,737.67</u>	
<b>Vendor Number: CBE1 Cell Business Equipment</b>					
C	Bank of the West	031334	9/30/2020	676.24	Auto
C	Bank of the West	E04371	8/12/2020	536.60	
C	Bank of the West	E04382	8/19/2020	119.33	
C	Bank of the West	E04397	9/2/2020	740.90	
C	Bank of the West	E04423	9/17/2020	536.60	
<b>Vendor Cell Business Equipment Total:</b>				<u>2,609.67</u>	
<b>Vendor Number: CHPU1 Champ Publishing</b>					
C	Bank of the West	E04453	9/30/2020	10,872.00	
<b>Vendor Champ Publishing Total:</b>				<u>10,872.00</u>	
<b>Vendor Number: CICA1 Citi Cards</b>					

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C	Bank of the West	031335	9/30/2020	303.74	Auto
				<b>Vendor Citi Cards Total:</b>	303.74
<b>Vendor Number: BECKC1 CL Marketing LLC</b>					
C	Bank of the West	E04350	8/6/2020	10,000.00	
C	Bank of the West	E04392	8/27/2020	26.40	
C	Bank of the West	E04393	9/2/2020	10,000.00	
				<b>Vendor CL Marketing LLC Total:</b>	20,026.40
<b>Vendor Number: COAM1 Conference America</b>					
C	Bank of the West	E04354	8/6/2020	28.66	
C	Bank of the West	E04372	8/12/2020	11.88	
C	Bank of the West	E04444	9/24/2020	18.57	
C	Bank of the West	E04454	9/30/2020	10.06	
				<b>Vendor Conference America Total:</b>	69.17
<b>Vendor Number: COWH2 Costco Wholesale</b>					
C	Bank of the West	031336	9/30/2020	45,000.00	Auto
				<b>Vendor Costco Wholesale Total:</b>	45,000.00
<b>Vendor Number: COXC1 Cox Business</b>					
C	Bank of the West	NC800	8/19/2020	1,305.85	Manual
C	Bank of the West	NC822	9/21/2020	1,305.85	Manual
				<b>Vendor Cox Business Total:</b>	2,611.70
<b>Vendor Number: WEDEC1 Cristina Wede</b>					
C	Bank of the West	E04450	9/24/2020	3,131.10	
				<b>Vendor Cristina Wede Total:</b>	3,131.10
<b>Vendor Number: DADE1 Data Designers</b>					
C	Bank of the West	E04355	8/6/2020	5,800.00	
C	Bank of the West	E04408	9/9/2020	5,200.00	
				<b>Vendor Data Designers Total:</b>	11,000.00
<b>Vendor Number: TODD1 Dennis Tootelian</b>					
C	Bank of the West	031344	9/30/2020	24,250.00	Auto
				<b>Vendor Dennis Tootelian Total:</b>	24,250.00
<b>Vendor Number: DGF11 DG Fulfillment</b>					
C	Bank of the West	E04373	8/12/2020	2,957.82	
C	Bank of the West	E04395	8/27/2020	1,991.00	
C	Bank of the West	E04409	9/9/2020	1,798.06	
				<b>Vendor DG Fulfillment Total:</b>	6,746.88
<b>Vendor Number: DOMC1 Douglas-McCarty Insurance</b>					
C	Bank of the West	E04396	8/27/2020	18,491.81	
				<b>Vendor Douglas-McCarty Insurance Total:</b>	18,491.81
<b>Vendor Number: DOBR1 Downey Brand, LLP</b>					
C	Bank of the West	E04455	9/30/2020	188.00	
				<b>Vendor Downey Brand, LLP Total:</b>	188.00
<b>Vendor Number: ERDE1 Erik's DeliCafe Franchises, Inc</b>					
C	Bank of the West	E04397	8/27/2020	1,350.00	
				<b>Vendor Erik's DeliCafe Franchises, Inc Total:</b>	1,350.00
<b>Vendor Number: EVMU1 Evolution Multimedia, Inc.</b>					
C	Bank of the West	E04425	9/17/2020	4,900.00	
				<b>Vendor Evolution Multimedia, Inc. Total:</b>	4,900.00
<b>Vendor Number: EXSP1 Extra Space Storage</b>					
C	Bank of the West	031323	8/27/2020	7,020.00	Auto
				<b>Vendor Extra Space Storage Total:</b>	7,020.00
<b>Vendor Number: FEEX1 FedEx</b>					
C	Bank of the West	NC793	8/14/2020	5,206.53	Manual

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<b>Vendor FedEx Total:</b>				5,206.53	
<b>Vendor Number: FIDE1 Fishhook Development LLC</b>					
C	Bank of the West	E04374	8/12/2020	1,170.00	
C	Bank of the West	E04410	9/9/2020	247.50	
<b>Vendor Fishhook Development LLC Total:</b>				1,417.50	
<b>Vendor Number: FOW1 Fox Weather, LLC</b>					
C	Bank of the West	E04383	8/19/2020	110.00	
C	Bank of the West	E04446	9/24/2020	110.00	
<b>Vendor Fox Weather, LLC Total:</b>				220.00	
<b>Vendor Number: FRON1 Frontier Communications Corp.</b>					
C	Bank of the West	NC804	8/24/2020	283.94	Manual
C	Bank of the West	NC814	9/14/2020	285.52	Manual
<b>Vendor Frontier Communications Corp. Total:</b>				569.46	
<b>Vendor Number: GING1 GINGERROOT LLC</b>					
C	Bank of the West	E04358	8/6/2020	2,240.00	
C	Bank of the West	E04411	9/9/2020	2,780.00	
<b>Vendor GINGERROOT LLC Total:</b>				5,020.00	
<b>Vendor Number: GOHA1 Golin Harris</b>					
C	Bank of the West	E04400	9/2/2020	93,489.23	
C	Bank of the West	E04456	9/30/2020	108,191.91	
<b>Vendor Golin Harris Total:</b>				201,681.14	
<b>Vendor Number: GSF11 GS Financial Services</b>					
C	Bank of the West	E04384	8/19/2020	2,000.00	
C	Bank of the West	E04398	8/27/2020	2,000.00	
C	Bank of the West	E04427	9/17/2020	4,375.00	
C	Bank of the West	E04457	9/30/2020	4,375.00	
<b>Vendor GS Financial Services Total:</b>				12,750.00	
<b>Vendor Number: HEB1 H.E.B</b>					
C	Bank of the West	031325	8/27/2020	12,000.00	Auto
<b>Vendor H.E.B Total:</b>				12,000.00	
<b>Vendor Number: HORE2 Holden Research &amp; Consulting</b>					
C	Bank of the West	E04359	8/6/2020	4,000.00	
<b>Vendor Holden Research &amp; Consulting Total:</b>				4,000.00	
<b>Vendor Number: HYVE1 HY-VEE, INC.</b>					
C	Bank of the West	031338	9/30/2020	7,000.00	Auto
<b>Vendor HY-VEE, INC. Total:</b>				7,000.00	
<b>Vendor Number: INRE1 Information Resources, Inc.</b>					
C	Bank of the West	E04360	8/6/2020	17,007.75	
<b>Vendor Information Resources, Inc. Total:</b>				17,007.75	
<b>Vendor Number: INYO1 Inmar -You Tech, LLC</b>					
C	Bank of the West	E04385	8/19/2020	9,485.84	
C	Bank of the West	E04428	9/17/2020	5,251.12	
<b>Vendor Inmar -You Tech, LLC Total:</b>				14,736.96	
<b>Vendor Number: INRI1 INR Inc.</b>					
C	Bank of the West	NC812	9/9/2020	9,572.22	Manual
<b>Vendor INR Inc. Total:</b>				9,572.22	
<b>Vendor Number: IRR11 Irvine Ranch Water District</b>					
C	Bank of the West	NC805	8/25/2020	45.82	Manual
C	Bank of the West	NC823	9/23/2020	42.26	Manual
<b>Vendor Irvine Ranch Water District Total:</b>				88.08	
<b>Vendor Number: ISRE1 Islands Restaurants, LP</b>					
C	Bank of the West	E04447	9/24/2020	3,000.00	

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<b>Vendor Islands Restaurants, LP Total:</b>				3,000.00	
<b>Vendor Number: ISP21 ISP2, Inc</b>					
C	Bank of the West	E04399	8/27/2020	3,500.00	
<b>Vendor ISP2, Inc Total:</b>				3,500.00	
<b>Vendor Number: DELYJ1 Jan DeLyser</b>					
C	Bank of the West	E04445	9/24/2020	183.34	
<b>Vendor Jan DeLyser Total:</b>				183.34	
<b>Vendor Number: JOCO1 Johnson Controls Security Solutions, LLC</b>					
C	Bank of the West	031339	9/30/2020	666.25	Auto
<b>Vendor Johnson Controls Security Solutions, LLC Total:</b>				666.25	
<b>Vendor Number: KASO1 Kahn, Soares &amp; Conway</b>					
C	Bank of the West	E04375	8/12/2020	319.38	
C	Bank of the West	E04386	8/19/2020	1,600.00	
C	Bank of the West	E04412	9/9/2020	1,456.20	
<b>Vendor Kahn, Soares &amp; Conway Total:</b>				3,375.58	
<b>Vendor Number: JOHKN1 Kathleen Johnson</b>					
C	Bank of the West	E04400	8/27/2020	9,774.94	
C	Bank of the West	E04458	9/30/2020	10,766.65	
<b>Vendor Kathleen Johnson Total:</b>				20,541.59	
<b>Vendor Number: MELBK1 Kenneth Melban</b>					
C	Bank of the West	E04361	8/6/2020	420.00	
C	Bank of the West	E04429	9/17/2020	210.00	
<b>Vendor Kenneth Melban Total:</b>				630.00	
<b>Vendor Number: KUCO1 Kurata Communications LLC</b>					
C	Bank of the West	E04401	8/27/2020	53,346.17	
C	Bank of the West	E04459	9/30/2020	107,972.20	
<b>Vendor Kurata Communications LLC Total:</b>				161,318.37	
<b>Vendor Number: LACA1 Laguna Canyon Group, LLC</b>					
C	Bank of the West	E04402	8/27/2020	10,726.79	
C	Bank of the West	E04460	9/30/2020	10,726.79	
<b>Vendor Laguna Canyon Group, LLC Total:</b>				21,453.58	
<b>Vendor Number: PADEL1 Laura Paden</b>					
C	Bank of the West	E04405	8/27/2020	9,774.94	
C	Bank of the West	E04464	9/30/2020	10,766.65	
<b>Vendor Laura Paden Total:</b>				20,541.59	
<b>Vendor Number: SERV1 Leaseweb USA, Inc.</b>					
C	Bank of the West	E04365	8/6/2020	80.00	
C	Bank of the West	E04416	9/9/2020	132.00	
<b>Vendor Leaseweb USA, Inc. Total:</b>				212.00	
<b>Vendor Number: MAIN1 Market Insight LLC dba Fusion</b>					
C	Bank of the West	E04403	8/27/2020	88,992.54	
C	Bank of the West	E04461	9/30/2020	68,671.25	
<b>Vendor Market Insight LLC dba Fusion Total:</b>				157,663.79	
<b>Vendor Number: MGRE1 MG Restaurants, Inc.</b>					
C	Bank of the West	E04362	8/6/2020	1,100.00	
<b>Vendor MG Restaurants, Inc. Total:</b>				1,100.00	
<b>Vendor Number: ARNEM1 Monica Arnett</b>					
C	Bank of the West	E04391	8/27/2020	126.31	
<b>Vendor Monica Arnett Total:</b>				126.31	
<b>Vendor Number: MULL1 MullenLowe U.S.,Inc.</b>					
C	Bank of the West	E04404	8/27/2020	240,440.72	
C	Bank of the West	E04430	9/17/2020	1,009,405.34	

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C	Bank of the West	E04448	9/24/2020	69,760.00	
<b>Vendor MullenLowe U.S.,Inc. Total:</b>				<u>1,319,606.06</u>	
<b>Vendor Number: MVNU1 MV Nutrition</b>					
C	Bank of the West	E04387	8/19/2020	1,366.00	
<b>Vendor MV Nutrition Total:</b>				<u>1,366.00</u>	
<b>Vendor Number: NOBA1 Noel Barnhurst Photographer</b>					
C	Bank of the West	E04462	9/30/2020	6,750.00	
<b>Vendor Noel Barnhurst Photographer Total:</b>				<u>6,750.00</u>	
<b>Vendor Number: NORE1 Norm's Restaurants, LLC</b>					
C	Bank of the West	E04363	8/6/2020	1,000.00	
<b>Vendor Norm's Restaurants, LLC Total:</b>				<u>1,000.00</u>	
<b>Vendor Number: NOGR1 Northwest Grocers</b>					
C	Bank of the West	E04431	9/17/2020	3,000.00	
<b>Vendor Northwest Grocers Total:</b>				<u>3,000.00</u>	
<b>Vendor Number: NUMA1 Nugget Market, Inc</b>					
C	Bank of the West	E04463	9/30/2020	7,000.00	
<b>Vendor Nugget Market, Inc Total:</b>				<u>7,000.00</u>	
<b>Vendor Number: CRPR1 Nutrien Ag Solutions</b>					
C	Bank of the West	031321	8/27/2020	635.00	Auto
<b>Vendor Nutrien Ag Solutions Total:</b>				<u>635.00</u>	
<b>Vendor Number: PANE1 Paychex of New York LLC</b>					
C	Bank of the West	NC798	8/14/2020	144.80	Manual
C	Bank of the West	NC799	8/14/2020	99.00	Manual
C	Bank of the West	NC810	8/31/2020	144.80	Manual
C	Bank of the West	NC813	9/11/2020	110.00	Manual
C	Bank of the West	NC816	9/15/2020	153.15	Manual
<b>Vendor Paychex of New York LLC Total:</b>				<u>651.75</u>	
<b>Vendor Number: PRBU1 Priority Workforce</b>					
C	Bank of the West	E04388	8/19/2020	155.25	
C	Bank of the West	E04401	9/2/2020	155.25	
C	Bank of the West	E04432	9/17/2020	186.30	
C	Bank of the West	E04465	9/30/2020	124.20	
<b>Vendor Priority Workforce Total:</b>				<u>621.00</u>	
<b>Vendor Number: PRMA1 Produce Marketing Association</b>					
C	Bank of the West	E04402	9/2/2020	8,000.00	
<b>Vendor Produce Marketing Association Total:</b>				<u>8,000.00</u>	
<b>Vendor Number: PRMA4 Production Management One, Inc.</b>					
C	Bank of the West	E04433	9/17/2020	1,590.00	
C	Bank of the West	E04466	9/30/2020	6,710.00	
C	Bank of the West	NC811	8/31/2020	1,590.00	Manual
<b>Vendor Production Management One, Inc. Total:</b>				<u>9,890.00</u>	
<b>Vendor Number: PRMC1 Promotion Management Center</b>					
C	Bank of the West	E04406	8/27/2020	2,127.02	
C	Bank of the West	E04414	9/9/2020	5,850.00	
C	Bank of the West	E04434	9/17/2020	360.24	
<b>Vendor Promotion Management Center Total:</b>				<u>8,337.26</u>	
<b>Vendor Number: PRLI1 Provident Life &amp; Accident Ins.</b>					
C	Bank of the West	031326	8/27/2020	204.84	Auto
<b>Vendor Provident Life &amp; Accident Ins. Total:</b>				<u>204.84</u>	
<b>Vendor Number: PRUD1 Prudential</b>					
C	Bank of the West	031327	8/27/2020	2,535.00	Auto
<b>Vendor Prudential Total:</b>				<u>2,535.00</u>	

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<b>Vendor Number: PUCO1 Puget Consumers Co-Op</b>					
C	Bank of the West	E04415	9/9/2020	5,000.00	
<b>Vendor Puget Consumers Co-Op Total:</b>				5,000.00	
<b>Vendor Number: MAFI1 Quadient Leasing USA</b>					
C	Bank of the West	E04377	8/12/2020	318.22	
C	Bank of the West	E04413	9/9/2020	546.68	
<b>Vendor Quadient Leasing USA Total:</b>				864.90	
<b>Vendor Number: QUMA1 Quality Maintenance, Inc.</b>					
C	Bank of the West	E04364	8/6/2020	325.00	
C	Bank of the West	E04435	9/17/2020	325.00	
<b>Vendor Quality Maintenance, Inc. Total:</b>				650.00	
<b>Vendor Number: ROMO1 Rockwell Morrow</b>					
C	Bank of the West	E04407	8/27/2020	10,510.00	
C	Bank of the West	E04467	9/30/2020	10,460.00	
<b>Vendor Rockwell Morrow Total:</b>				20,970.00	
<b>Vendor Number: RUF11 Rubio's Restaurants Inc</b>					
C	Bank of the West	E04468	9/30/2020	8,350.00	
<b>Vendor Rubio's Restaurants Inc Total:</b>				8,350.00	
<b>Vendor Number: SAWA1 Safeway, Inc.</b>					
C	Bank of the West	E04389	8/19/2020	30,000.00	
<b>Vendor Safeway, Inc. Total:</b>				30,000.00	
<b>Vendor Number: SAMA1 Save Mart Supermarkets</b>					
C	Bank of the West	031328	8/27/2020	5,000.00	Auto
<b>Vendor Save Mart Supermarkets Total:</b>				5,000.00	
<b>Vendor Number: SCHN1 Schnuck Markets, Inc.</b>					
C	Bank of the West	031341	9/30/2020	1,248.10	Auto
<b>Vendor Schnuck Markets, Inc. Total:</b>				1,248.10	
<b>Vendor Number: SOPA1 Somis Pacific Agricultural Management, Inc</b>					
C	Bank of the West	E04390	8/19/2020	2,516.59	
C	Bank of the West	E04417	9/9/2020	1,636.16	
<b>Vendor Somis Pacific Agricultural Management, Inc Total:</b>				4,152.75	
<b>Vendor Number: SOCA1 Southern California Edison</b>					
C	Bank of the West	NC802	8/21/2020	1,209.76	Manual
C	Bank of the West	NC817	9/16/2020	1,113.03	Manual
<b>Vendor Southern California Edison Total:</b>				2,322.79	
<b>Vendor Number: SPAG1 Spann Ag Research &amp; Consulting, LLC</b>					
C	Bank of the West	E04366	8/6/2020	8,000.00	
C	Bank of the West	E04403	9/2/2020	8,000.00	
<b>Vendor Spann Ag Research &amp; Consulting, LLC Total:</b>				16,000.00	
<b>Vendor Number: KIERS1 Stacia Kierulff</b>					
C	Bank of the West	E04376	8/12/2020	50.00	
<b>Vendor Stacia Kierulff Total:</b>				50.00	
<b>Vendor Number: STBU2 Staples Business Credit</b>					
C	Bank of the West	031342	9/30/2020	254.64	Auto
<b>Vendor Staples Business Credit Total:</b>				254.64	
<b>Vendor Number: STBR1 Stater Bros. Markets</b>					
C	Bank of the West	031329	8/27/2020	600.00	Auto
C	Bank of the West	031330	8/27/2020	5,500.00	Auto
<b>Vendor Stater Bros. Markets Total:</b>				6,100.00	
<b>Vendor Number: SUPR2 Sundance Press</b>					
C	Bank of the West	031343	9/30/2020	8,081.93	Auto

**Check History Report**  
**Sorted By Vendor Name**  
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Bank Code	Description	Check Number	Check Date	Check Amount	Check Type
<b>Vendor Sundance Press Total:</b>				8,081.93	
<b>Vendor Number: SUDU1 Super Duper Burgers</b>					
C	Bank of the West	E04449	9/24/2020	1,000.00	
<b>Vendor Super Duper Burgers Total:</b>				1,000.00	
<b>Vendor Number: SWTE1 SWK Technologies, Inc.</b>					
C	Bank of the West	E04404	9/2/2020	185.00	
C	Bank of the West	E04436	9/17/2020	6,733.14	
<b>Vendor SWK Technologies, Inc. Total:</b>				6,918.14	
<b>Vendor Number: TAEN1 Tate Enterprises, LLC.</b>					
C	Bank of the West	E04408	8/27/2020	1,000.00	
C	Bank of the West	E04469	9/30/2020	1,000.00	
<b>Vendor Tate Enterprises, LLC. Total:</b>				2,000.00	
<b>Vendor Number: TELD1 Teldata A West Coast Cabling Company</b>					
C	Bank of the West	E04367	8/6/2020	1,399.95	
C	Bank of the West	E04437	9/17/2020	259.00	
<b>Vendor Teldata A West Coast Cabling Company Total:</b>				1,658.95	
<b>Vendor Number: THFL1 The Flame Broiler, Inc.</b>					
C	Bank of the West	E04418	9/9/2020	9,300.00	
<b>Vendor The Flame Broiler, Inc. Total:</b>				9,300.00	
<b>Vendor Number: GDRG1 The GDR Group, Inc.</b>					
C	Bank of the West	E04357	8/6/2020	3,008.00	
C	Bank of the West	E04399	9/2/2020	3,008.00	
C	Bank of the West	E04426	9/17/2020	500.00	
<b>Vendor The GDR Group, Inc. Total:</b>				6,516.00	
<b>Vendor Number: THHA1 The Habit Restaurants, LLC</b>					
C	Bank of the West	E04419	9/9/2020	11,600.00	
<b>Vendor The Habit Restaurants, LLC Total:</b>				11,600.00	
<b>Vendor Number: HART1 The Hartford</b>					
C	Bank of the West	031324	8/27/2020	928.70	Auto
<b>Vendor The Hartford Total:</b>				928.70	
<b>Vendor Number: THRE1 The Retirement Plan Company</b>					
C	Bank of the West	NC794	8/14/2020	5,034.61	Manual
C	Bank of the West	NC806	8/27/2020	667.25	Manual
C	Bank of the West	NC807	8/27/2020	384.14	Manual
C	Bank of the West	NC809	8/31/2020	5,034.61	Manual
C	Bank of the West	NC815	9/15/2020	5,045.17	Manual
<b>Vendor The Retirement Plan Company Total:</b>				16,165.78	
<b>Vendor Number: BELLT1 Tom Bellamore</b>					
C	Bank of the West	E04370	8/12/2020	89.86	
C	Bank of the West	E04443	9/24/2020	165.25	
<b>Vendor Tom Bellamore Total:</b>				255.11	
<b>Vendor Number: UCRE1 U.C. Regents</b>					
C	Bank of the West	E04438	9/17/2020	25,000.00	
C	Bank of the West	E04439	9/17/2020	25,000.00	
C	Bank of the West	E04440	9/17/2020	26,192.00	
<b>Vendor U.C. Regents Total:</b>				76,192.00	
<b>Vendor Number: UCDA1 University of California Davis</b>					
C	Bank of the West	E04378	8/12/2020	16,957.00	
<b>Vendor University of California Davis Total:</b>				16,957.00	
<b>Vendor Number: UNLI1 Unum Life Insurance</b>					
C	Bank of the West	031331	8/27/2020	414.46	Auto
<b>Vendor Unum Life Insurance Total:</b>				414.46	

**Check History Report**  
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Bank Code	Description	Check Number	Check Date	Check Amount	Check Type
<b>Vendor Number: USDA1 USDA Agricultural Mktg Svc</b>					
C	Bank of the West	E04409	8/27/2020	4,437.97	
C	Bank of the West	E04470	9/30/2020	4,178.06	
<b>Vendor USDA Agricultural Mktg Svc Total:</b>				<u>8,616.03</u>	
<b>Vendor Number: VERZ1 Verizon Wireless</b>					
C	Bank of the West	NC803	8/24/2020	331.85	Manual
<b>Vendor Verizon Wireless Total:</b>				<u>331.85</u>	
<b>Vendor Number: WAF11 Wahoo's Fish Taco</b>					
C	Bank of the West	E04471	9/30/2020	1,300.00	
<b>Vendor Wahoo's Fish Taco Total:</b>				<u>1,300.00</u>	
<b>Vendor Number: WECO1 West Coast Energy</b>					
C	Bank of the West	031332	8/27/2020	325.00	Auto
<b>Vendor West Coast Energy Total:</b>				<u>325.00</u>	
<b>Vendor Number: WEPA2 West Pak Avocado</b>					
C	Bank of the West	E04379	8/12/2020	26.00	
C	Bank of the West	E04405	9/2/2020	13.00	
C	Bank of the West	E04420	9/9/2020	68.25	
C	Bank of the West	E04441	9/17/2020	109.50	
C	Bank of the West	E04472	9/30/2020	133.50	
<b>Vendor West Pak Avocado Total:</b>				<u>350.25</u>	
<b>Report Total:</b>				<u><u>2,845,391.86</u></u>	