4000 C W Manadam Cuita 400 . Dartland Onne 07220 2072



June 28, 2006

Board of Directors Portland Public Schools 501 N. Dixon Street Portland, Oregon 97227

Attention: Board Chair

This letter is to explain our understanding of the arrangements for the services we are to perform

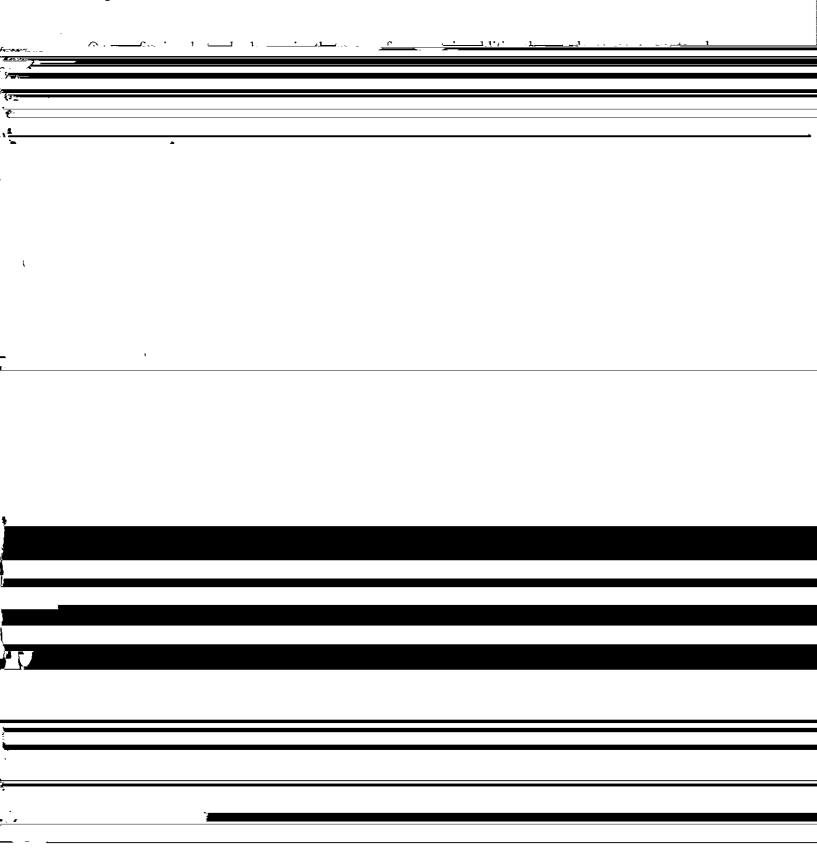
Board of Directors Portland Public Schools June 28, 2006 Page 2

	In addition to our reports on the District's financial statements, we will also issue the following reports or types of reports:
	A report on the fairness of the presentation of the District's Schedule of Expenditures of
	Federal Asserts for the wear ending June 30 2006
	<b>ì</b> ,
_	
	<u></u>
	Promote an internal control valeted to the financial etatements and major arecome

	Band of Director			
	Portland Public Schools June 28, 2006 Page 3			
	If circumstances arise relating to the conditions of your records, the availability of sufficient, competent evidential matter, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, misappropriation of assets, or noncompliance which in our professional judgment prevent us from completing the audit or			
<u> </u>	<u> </u>			
	·			
×				

	Board of Directors Portland Public Schools		/ °	e102106
	June 28, 2006 Page 4  Subject to Helimitations The District hereby indemnifies Talbot,	of the Oregon To	rt Clams Act	30-260
# <u>#</u>	The District hereby indemnifies Talbot,	Korvola & Warwick, LLP (the	Firm) and its partners and 3	u. 300
_				•
- 1	•			
<b>{</b> _				
· 7				
,				
KI .				
,				
<b>,</b>	•			
<b>-</b>				
	<u> </u>			

Board of Directors Portland Public Schools June 28, 2006 Page 5





SPOKANE COLFAX GRANDVIEW MOSES LAKE OMAK OTHELLO

QUINCY TRI-CITIES WALLA WALLA WENATCHEE YAKIMA

ACCOUNTING

To the Partners

Talbot, Korvola & Warwick LLP

AND

CONSULTING

We have reviewed the system of quality control for the accounting and auditing practice of Talbot, Korvola & Warwick LLP (the firm) in effect for the year ended March 31, 2003. A