

January 6, 2020

Joy Young, Executive Director
Cultural Council
300 Water Street, Suite 201
Jacksonville, FL 32202

Re: Engagement Letter for Bookkeeping Services

Dear Joy,

This letter sets forth the objectives and terms of our proposed engagement and the nature of the services **Essential Bookkeeping Solutions** (“EBS”) will provide to you and/or your company (the “Client”).

WORK TO BE DONE

A. Scope/Limitations.

EBS does not provide forensic auditing. Accordingly, our engagement for accounting services will not, and cannot, be relied upon to disclose financial errors, irregularities, or illegal acts such as fraud or misappropriation which may exist or take place during the term of our engagement. Incomplete or inaccurate information provided to EBS Solutions will affect the ability of EBS to perform the services for which it is being retained. Should such matters come to our attention during the provision of services shall be disclosed to the Client forthwith.

B. Agreed-Upon Services.

Please select all required services from the Bookkeeping Services List below.

By having you clearly identify the specific services you wish provided and their frequency, EBS hopes to better meet your expectations of service. Any changes will be mutually agreed upon and confirmed in writing.

Bookkeeping Service List: Each month EBS will complete the following:

- Administer full cycle accounting responsibilities including payroll, employer tax reporting, state and federal regulatory reporting, accounts payable, accounts receivable, accounting and general ledger, financial planning, financial reporting and financial statement analysis.
- Closes books monthly, including bank reconciliations, accruals, and allocations.
- Prepares reports for planning, regulatory and compliance purposes including: - Annual budget for review by Executive Director and Board of Directors -Statement of Activities and Statement of Financial Position; Monitors significant budget variances and informs the Executive Director -Reports for various City, State and private grant requests and applications -Reporting requirements for City of Jacksonville Office of Grants & Compliance and Office of Council Auditor - Producing budget and financial reports for programs -Producing reports for the Finance Committee and interfacing with the Board Treasurer as needed.
- Facilitates and liaisons to support: Banking relationships-operating and investment accounts, credit card processors, payment portals/Square -Insurance accounts including commercial liability, worker's compensation, professional liability, worker's compensation audits.
- Assists with grant administration: Works with the Director of Grants Administration to prepare financial information (budgets, reports, etc.) to support the Cultural Council's various grant requests and applications -Reviews grant applicant budgets -Processes grant payments
- Provides fiscal oversight, reporting, compliance and internal control for programs and special projects to include:
 - Annual Arts Awards Luncheon
 - Art in Public Places
 - State of the Arts
 - Lecture Series
 - Artist Programming
 - Community Programming
- Prepares the organization for the annual independent audit process and completion of audited financial statements and schedules (5500, 990, etc.)

- **Human Resource**
- Files State and Federal forms for compliance: IRS form 941 and State Unemployment, worker's compensation and unemployment claims
- Assists with employee health benefits and retirement options/403(B), including enrolling employees, assisting with and managing health benefit claims.

FEE SCHEDULE

The following is our fee schedule:

A. Professional Fees

The rate per hour is \$75.00.

Payroll Services via SurePayroll - \$55.00 per month and \$5.00/ per employee after 3 employees. This price includes direct deposit, all reports and payroll returns.

B. Factors Affecting Fees

Professional fees are based upon several factors including time, labor involved, and skill requisite to perform the said services properly. Fees will be based upon an agreed hourly rate unless special circumstances are in place, in which case, an agreement in writing between the parties will address such adjusted costs.

C. Terms of Payment

All billings are DUE ON RECEIPT. All amounts unpaid after 30 days are subject to interest at 2% per month (24% per annum), calculated from the invoice date, on the total outstanding amount.

TERMINATION

Either party may terminate this relationship with a thirty (30)-day written notice to the other, including email notification, if such notice has been received. If the Client provides less than a thirty (30)-day notice, the average of one month's billing will be calculated from the prior 12 months when services were provided and billed accordingly.

During the thirty (30)-day notice of termination period, projects in process shall be completed if possible, and no other work shall be undertaken unless the parties agree in writing to specific terms for the additional work.

LIMIT OF LIABILITY

A. The Client hereby agrees that any liability of EBS under this agreement, regardless of form of action, shall be limited to the most recent monthly amount billed for services agreed to hereunder as its exclusive remedy. The Client agrees that it shall not make any claim against EBS beyond such amount of monthly account, and EBS may rely on this paragraph as a complete bar to any such claim.

B. More specifically, the Client agrees that EBS is not and shall not be deemed to be liable for any losses resulting from advice provided by them, or from work performed, or for loss of profits of the Client, or of any other party which may flow there from, whether it be direct or incidental, whether they have been advised of the possibility of such damages, and the Client acknowledges and agrees to same hereto.

C. Neither party may bring any action arising out of the services under this agreement, regardless of form, more than one year after the date of the last services provided under this agreement.

INDEMNIFICATION & NON- DISCLOSURE

The Client agrees to release, indemnify, and hold EBS harmless from any and all liability and costs resulting from any known misrepresentations or fraud participated in by management or any of them, or such errors resulting from incomplete or inaccurate information provided by management, and such indemnity shall not be limited to the term of this contract but shall be ongoing even after its termination.

The Client also acknowledges that EBS, during its work, may view or otherwise meet information the Client considers confidential. In such a case, EBS undertakes to keep such information confidential subject to governing law, jurisprudence, and/or order of a court of competent jurisdiction, and the Client agrees that no action can be taken

against EBS because of its view or contact with the confidential information unless EBS fails to honor its undertaking as defined in this paragraph.

COMPLETE AGREEMENT

This letter comprises the complete agreement between the parties, superseding all proposals oral or written and all other communications between the parties. If any provision of this letter is determined to be unenforceable, all other provisions shall remain in force.

If you have any questions regarding this engagement letter or desired services, please contact us at the following address:

Essential Bookkeeping Solutions
410-10 Blanding Blvd, #139
Orange Park, FL 32073

Sincerely,

Dawn Brady, EBS President

Date

Client Signature

Date