



Larry K. Anderson, P.C.
Certified Public Accountant

Agreement for preparation of 2019 Returns for Tax Exempt Organizations

This letter is to confirm and specify the terms of our engagement for the year ended December 31, 2019 and to clarify the nature and extent of the services we will provide. Also, by sending you this engagement letter we have assumed that you are the person responsible for the tax matters of the organization. If this is not a correct assumption, please furnish us with the name of the individual with whom this work should be coordinated.

Our engagement will be designed to perform the following services:

1. Prepare the federal and state income tax returns with supporting schedules from information you will provide to us.
2. Perform the bookkeeping necessary for the preparation of the income tax returns.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist.

We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor wherever possible.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please contact us.

Management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign and file them.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

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Our fee for these services will be based upon the amount of time required at our standard billing rates, plus out-of-pocket expenses, subject to a minimum fee of \$750 for Form 990-EZ and \$1,100 for Form 990. All invoices are due and payable upon presentation. A late charge of 1.5 % per month will be assessed on all past due amounts.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are any additional returns you expect us to prepare, please note this at the end of the returned copy of this letter, just below your signature.

We want to express our appreciation for this opportunity to work with you.

Sincerely,

Larry K. Anderson, CPA

Accepted By:

Organization Name _____
Your signature _____
Date _____
Your name (print) _____
Your title _____



Larry K. Anderson, P.C.
Certified Public Accountant

2019 Organizer for Exempt Organizations

Organization Name _____ Tax Period _____
 Address _____ Federal ID # _____
 _____ State ID # _____
 Registration # _____ Exempt Under § 501(c) _____

Provide a general ledger, trial balance, depreciation schedules, balance sheet, and statement of receipts and expenses as of year-end. For § 501(c)(3) and (c)(4) organizations and § 4947(a)(1) trusts, categorize expenses as to program services, management/general, and fund raising. In addition, the following information will be needed:

| | <u>DONE</u> | <u>N/A</u> |
|---|-------------|------------|
| 1. Provide information about any activities new to the organization, which require IRS notification. | _____ | _____ |
| 2. Provide copies of any changes to the governing documents or information related to a change in organization structure. | _____ | _____ |
| 3. Provide a list of names and percentage owned of any related organizations and indicate whether they are exempt. | _____ | _____ |
| 4. List the states with which a copy of this return is to be filed. | _____ | _____ |
| 5. Provide a list of employee benefit plans for which the organization requires assistance in filing Form 5500. | _____ | _____ |
| 6. Provide copies of any change notices received from any taxing authority. | _____ | _____ |
| 7. Provide a schedule of "in-kind" contributions and indicate whether they are included in income. | _____ | _____ |
| 8. Indicate if you have provided written acknowledgement to donors of individual contributions of \$250 or more. | _____ | _____ |
| 9. Indicate if you have provided proper contemporaneous acknowledgement for donations of automobiles, boats, and airplanes. | _____ | _____ |
| 10. Indicate if you have provided information on the amount of the deductible donation to donors of <i>quid pro quo</i> donations in excess of \$75. | _____ | _____ |
| 11. Disclose taxes paid during the year for the following: | | |
| a) excess expenditures to influence legislation. | _____ | _____ |
| b) disqualifying lobbying expenditures. | _____ | _____ |
| c) political expenditures. | _____ | _____ |
| d) excess benefit transactions. | _____ | _____ |
| 12. For each area of program service revenue, provide an explanation of how the activity contributes to the organization's exempt purpose. | _____ | _____ |
| 13. Attach information related to the income and expenses from unrelated business income. | _____ | _____ |
| 14. Provide a list of investments at year-end including cost and market value of each item. | _____ | _____ |
| 15. Provide copies of all K-1s received. | _____ | _____ |
| 16. Provide copies of all royalty agreements. | _____ | _____ |
| 17. Provide a schedule of donors who gave property with a value of at least \$5,000. | _____ | _____ |
| 18. Provide a schedule of the three largest fund raising events, describe the event and indicate the amount raised. (Attach a copy of fundraising materials.) | _____ | _____ |

2018 Organizer for
Exempt Organizations
(Page 2)

DONE N/A

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|-----|--|-------|-------|
| 19. | Prepare a statement describing the services provided under the four largest program services offered by the organization. | _____ | _____ |
| 20. | How many employees were on the payroll as of March 12th? | _____ | _____ |
| 21. | Provide a schedule of wages/compensation, deferred compensation and expense account payments for all officers, directors, trustees, key employees and advisors. Include a schedule of time devoted to fundraising, management, exempt purpose and average hours worked per week. | _____ | _____ |
| 22. | Provide a list of names and addresses of employees (other than officers) who received compensation in excess of \$50,000. | _____ | _____ |
| 23. | Provide a list of officers, directors or key employees who received \$10,000 or more in compensation from a related entity. | _____ | _____ |
| 24. | Provide a list of names, addresses, and services provided by individuals/entities providing professional services to the organization at fees in excess of \$50,000. | _____ | _____ |
| 25. | Provide information including amounts expended regarding legislative, lobbying or political activities during the year. | _____ | _____ |
| 26. | Provide details regarding all transactions with a trustee, director, principal officer, or creator of the organization. | _____ | _____ |
| 27. | Provide the amount of initiation fees and capital contributions for § 501(c)(7) organizations. | _____ | _____ |
| 28. | Provide amount of nonmember income for § 501(c)(7). | _____ | _____ |
| 29. | Attach a detailed computation of the 85% qualification test for § 501(c)(12) organizations. | _____ | _____ |
| 30. | For public interest law firms—attach a list of cases litigated during the year and describe the benefit to the general public. | _____ | _____ |
| 31. | How many additional copies of the return are needed? _____ | | |
| 32. | Indicate if you have three years returns and the exemption application available for public inspection. | | |
| 33. | Additional information: | _____ | _____ |
| | _____ | | |
| | _____ | | |
| | _____ | | |
| | _____ | | |

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|----------|-------|----------------------|-------|
| Tax Year | _____ | Taxpayer's Name | _____ |
| Date | _____ | Taxpayer's Signature | _____ |
| Date | _____ | Preparer's Signature | _____ |