

# ENGAGEMENT LETTER

**From: The Board of** \_\_\_\_\_

**To: Clifford & Associates, LLC**

We have engaged you to prepare and file the applicable tax forms for our organization for the year(s) ended \_\_\_\_\_, \_\_\_\_\_. We state that to the best of our knowledge and belief: We understand that it is our responsibility to provide all the information necessary to complete the returns. We will retain for four years all the documents, receipts, cancelled checks and other records required to substantiate the items of income and expense claimed on the return(s).

- We understand that you will not audit or otherwise verify any information, and that you may require clarification or additional information. In particular, our organization accepts full responsibility for deciding who is an employee or an independent contractor, recognizing that the IRS or the US Tax Court has the final determination. We will hold harmless Clifford & Associates, LLC, its subsidiaries, and employees should the IRS or other taxing authority question or challenge our designations. If a church, or employer of a member of the clergy, we assume responsibility for determining the pastor's status for tax reporting purposes.
- We have provided true, correct, and complete information regarding all employees and any payments to them or on their behalf, including independent contractors.
- We have provided true, correct, and complete information regarding amounts we have provided to you. We have maintained written documentation supporting all amounts, including logbooks and receipts. We have fully documented all business related expense reimbursements including travel and entertainment deductions as well as mileage and have maintained logbooks to support the business use percentage of automobiles, cellular phones, and other business/organizational assets.
- This organization has no foreign financial accounts, trusts, or businesses, except as indicated in the information we have provided to you.
- We will contact you immediately if our company or organization receives any letters from the Internal Revenue Service or other taxing authorities concerning these tax returns.
- We understand that if a question arises regarding the interpretation of tax law, and a conflict exists between the tax authorities' interpretation of the law and other supportable positions, you will use your professional judgment in resolving the issues. We understand that you are not responsible for disallowed deductions, or the inclusion of additional unreported income or any resulting taxes, penalties or interest.
- We understand that penalties may be imposed on returns that are late, underpaid, or incorrect.
- We will contact you immediately if we discover additional information that will lead to a change in our tax returns. We understand additional charges may apply.
- We understand that you require a deposit for your services. We also understand that the balance of your invoice will be due and payable upon completion of the return(s), and that additional services will not be performed until the invoice is paid in full. We understand that your invoice will be based upon your standard billing rates.

- We understand that we will be charged an additional fee if you assist us or represent us or our company or organization in a tax examination or inquiry including responding to letters from taxing authorities. We understand that, in the event of preparer error, we are responsible for any additional tax that may be due.

## PRIVACY POLICY NOTICE

It has always been the policy of Clifford & Associates to keep all information that we collect from you confidential from all sources. We restrict access to all nonpublic personal information about you to members of our firm who need to know that information to provide services to you. We maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. We do collect nonpublic personal information about you from the following sources:

- Information we receive from you on tax preparation organizer, worksheets, Federal and State tax reporting forms, and from other documents we use in tax preparation or other financial and related services.
- Information about your transactions with us, our affiliates, and others.
- Information we may receive from outside agencies such as banks and brokerage houses.

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as instructed by you in writing or as required by law as listed below:

- Requirements to comply with federal, state, or local law.
- Requirements to comply with national, state, or local licensing rules.
- Requirements to disclose information in response to legal subpoenas.
- Items you permit or request us to disclose, as authorized by you in writing.
- Information that you authorize us to disclose by signing this engagement letter to electronically file your tax return, when applicable.
- Information that you authorize us to disclose by signing this engagement letter, which discloses that you are our client, without disclosure of financial or other personal information.

**We have read the above engagement letter and privacy policy and understand our responsibilities with regard to income tax preparation. We certify that we are authorized to accept this engagement letter on behalf of**

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**Accepted by:**

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(Signature)

Date

Name (print): \_\_\_\_\_ Title: \_\_\_\_\_

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(Signature)

Date

Name (print): \_\_\_\_\_ Title: \_\_\_\_\_

CLIENT NAME(S):  
PREPARER NAME(S): \_\_\_\_\_



## Client Use Agreement CLIFFORD & ASSOCIATES, LLC

4150 Belden Village St. NW, Suite 601, Canton OH 44718  
(330) 493-1814 Toll-Free: 1-800-456-1803 Fax: (330) 493-1807 contact@sharetheharvest.com  
[www.sharetheharvest.com](http://www.sharetheharvest.com)

In addition to tax preparation services, this firm is in the business of providing year-round financial planning, insurance, and tax planning services. Investment services are offered through Clifford & Yoho Advisors, LLC. These services cannot be provided without your consent (Internal Revenue Code Sec. 7216). If you consent to use or disclosure of your tax return information, Federal law may not protect your tax return information from further use or distribution.

**Federal law requires this consent form be provided to you.** Unless authorized by law, we cannot use your tax return information for purposes other than the preparation and filing of your tax return without your consent. **You are not required to complete this form to engage our tax return preparation services.** If we obtain your signature on this form by conditioning our tax return preparation services on your consent, your consent will not be valid. Your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year from the date of signature. You may terminate this consent at any time by providing a written request for termination.

Duration of Consent (optional): \_\_\_\_\_

If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484, or by email at [complaints@tigta.treas.gov](mailto:complaints@tigta.treas.gov).

**Please initial all that apply:**

 

We authorize Clifford & Associates, LLC, and Clifford & Yoho Advisors, LLC, to use our income tax return and all related income tax information for the purpose of calculating estimated income taxes payable and such other tax, insurance, financial planning, and investment assistance as we may request now or in the future.

 

We authorize Clifford & Associates, LLC, to use our organization's name and address, including releasing it to a printer or third-party mailhouse, for the purpose of facilitating Clifford & Associates, LLC, mailings, such as calendars and newsletters.

 

We authorize Clifford & Associates, LLC, to use the following email address for the purpose of sending digital copies of mailings: \_\_\_\_\_

(please provide a current email address)

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**Signature**

**Date**

**Name (print)** \_\_\_\_\_ **Title** \_\_\_\_\_

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**Signature**

**Date**

**Name (print)** \_\_\_\_\_ **Title** \_\_\_\_\_



# Tax Exempt/Not-For-Profit Organizer

## CLIFFORD & ASSOCIATES, LLC

4150 Belden Village St. NW, Suite 601, Canton OH 44718  
 (330) 493-1814 Toll-Free: 1-800-456-1803 Fax: (330) 493-1807 contact@sharetheharvest.com  
[www.sharetheharvest.com](http://www.sharetheharvest.com)

Please use this organizer for this year's filing season. Please read the organizer carefully. Complete, sign, and date all the worksheets that apply. If you need more space, please copy pages or attach a separate sheet.

The benefit of tax-exempt status brings with it additional responsibilities. Congress has expanded the power of the IRS to monitor, regulate, and penalize tax-exempt organizations that fail to follow reporting requirements. The following contains a list of information needed to properly prepare the organizations' tax return. A list of recommended Internal Controls is also enclosed. This checklist is designed to help board members maintain compliance with IRS regulations.

**Please remember** that that tax returns are for nonprofit organizations are due **May 15**. Therefore, timely return of the needed information will aid in our prompt preparation of the return. We will file for a 3-month extension if some extenuating circumstance impedes completion of the return by May 15.

The information required by this form, as it applies to you, will help us evaluate your tax situation and concentrate our efforts in preparing a complete return. Do not copy information printed plainly tax reporting statements. Send us copies of the forms instead.

Please complete the following document checklist. If you have included more than one of any item, please indicate the quantity in the box provided. **Copies of documents are sufficient.** We do not need your originals.

	Copy of previous year's tax return (Form 990 or 990EZ), if we did not prepare it
	Copy of QuickBooks®, Quicken®, or other bookkeeping file, if applicable
	Income and expense report
	Balance sheet (showing beginning and ending balances)
	A report showing the change in net assets or fund balances
	Statement of program service accomplishments
	Review of 10 key internal controls
	Any tax reporting statements received by the organization
	Any IRS letters or other information and statements you have questions about
	<b>Our engagement letter signed by the appropriate board members. The board declares that to the best of my knowledge and belief, the information included in this organizer is true, correct, and complete.</b>

✦ **Organization Information (please note any changes from prior year)**

**Basic Information**

Name: \_\_\_\_\_  
Federal EIN #: \_\_\_\_\_  
Founding Date: \_\_\_\_\_  
Type of Organization: \_\_\_\_\_  
Accounting Method:  Cash  Accrual  
Fiscal Year-End: \_\_\_\_\_  
Website: \_\_\_\_\_  
E-mail address: \_\_\_\_\_  
Address/Phone:  
Line 1: \_\_\_\_\_  
Line 2: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Office Phone: \_\_\_\_\_  
Cell Phone: \_\_\_\_\_  
Other Phone \_\_\_\_\_  
Fax number \_\_\_\_\_

Best time & method of contact: \_\_\_\_\_  
\_\_\_\_\_

**Directors, Officers, Trustees, & Other Key Employees**

First Name: \_\_\_\_\_  
Last Name: \_\_\_\_\_  
Middle initial/Suffix \_\_\_\_\_  
Title: \_\_\_\_\_  
Hours Devoted /Week: \_\_\_\_\_  
Address/Phone:  
Line 1: \_\_\_\_\_  
Line 2: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_

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Line 2: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_

\* Please list additional information on another copy of this page.

## Income & Expense Report Guidelines

1. Gross income determines your filing requirements. Please include all income. Income includes, but is not limited to, items such as:
  - a. Contributions, gifts, grants, etc.
  - b. Direct and indirect public support
  - c. Membership dues
  - d. Interest on savings and other cash investments
  - e. Dividends from securities
  - f. Rents, inventory sales, etc.
2. Please provide a Statement of Functional Expenses allocating expenses between three categories: Program Services, Management/General, and Fundraising expenses. Allocate as you are able. Expenses include, but are not limited to:
  - a. Compensation of officers, directors, etc. and other salaries and wages.
  - b. Pension plan contributions and other employee benefits.
  - c. Payroll taxes.
  - d. Accounting and legal fees.
  - e. Professional fund-raising fees.
  - f. Supplies, telephone, postage, equipment rental, maintenance, travel, printing, depreciation, conferences, conventions, meetings, etc.
3. Please provide a Statement of Program Service Accomplishments describing the achievements of the organization throughout the year. Give a detailed account of the organization's activities, including items such as purpose, number of clients served, and publications issued. Also, report the amount of income and expenses directly related and/or allocated to each program.
4. Please remit the following information on the board members, officers, directors, trustees and key employees:
  - a. Name and address
  - b. Title and average hours per week devoted to position
  - c. Compensation (even if not paid) and copies of W-2s or 1099-MISCs issued
  - d. Contributions to benefit plans/deferred compensation
  - e. Expense account and/or other allowances and reimbursements
  - f. Details of any loans to/from the organization (also any loans to/from relatives)
5. Did the directors or employees assume or pay for any expenses on behalf of the organization during the year?  
 Yes    No

If so, list separately all such expenses with the following information:

Expense Item	Amount Paid	Date Paid	Who Paid	Authorizing Officer

6. Is there a written agreement or policy to reimburse any of the above expenses?  
 Yes    No
7. Are the above expenses included on the income and expense statement and allocated to Accounts Payable?  
 Yes    No

## **List of Key Internal Controls**

The following is a list of Internal Controls that will help to direct the board members in the proper way of running the organization. The IRS would ask questions similar to these in the event of an IRS audit. Please note any exceptions to these policies.

1. At no time did relatives constitute a majority of the board of directors present at any meeting.
2. All officers and key employees submit written reports at least quarterly.
3. Persons may not sign checks to themselves for any reason.
4. The person(s) writing checks do not make deposits.
5. No person authorizing payment of the bills can write checks or transfer funds except under a defined emergency policy agreed upon by the board of directors in writing.
6. No person pays any bill without prior authorization of a non-relative authorized by the board.
7. No person on the board votes for any relative's pay or contract for services.
8. No person on the board is paid for any services unless:
  - a. There is a written contract.
  - b. They did not vote on the contract.
  - c. At least three (3) competitive bids were received and reviewed by at least three (3) unrelated members of the board member being paid.
9. The bookkeeper and/or treasurer has had training in non-profit accounting within the last three years.
10. If computerized software is used, those using the software have had training within the last year.

I/we have reviewed the internal control policies and the activities of our organization for the year of \_\_\_\_\_.

The following statements apply:

\_\_\_ I/we found complete compliance with all ten internal control checks.

\_\_\_ I/we found substantial compliance with a few exceptions unlikely to occur again. Those exceptions will be reported if requested.

\_\_\_ I/we found compliance with at least 6 of 10 policies but there were repeated oversights and mistakes. These will be summarized and listed separately. A plan to correct the errors is in place.

\_\_\_ I/we found most of the policies have been violated. We need a fuller review to establish the integrity of our finances. A plan to correct the errors is in place.

Signed: \_\_\_\_\_ Date \_\_\_\_\_  
Name/title

Signed: \_\_\_\_\_ Date \_\_\_\_\_  
Name/title