



Sub-Contractual Service and Payment Agreement

This document is to confirm and specify the terms of this Sub-Contractual Service Agreement with Melinda Mitchell d.b.a. Essential Bookkeeping. Please initial and sign at the end of each paragraph where it is indicated. By Initialing, you have read, understand, and accept the terms stated therein.

Services & Fees:

Fees for services are currently at the hourly billing rate of \$ _____/hr. In the event there may be a change to the current rate, you will be given a 30 day advance written notice prior to it going into affect. An advanced flat monthly *Administrative Fee in the amount of \$_____ will be charged to a credit card you are required to place on file with Essential Bookkeeping (See Automatic Credit Card Authorization Form). This flat monthly charge will occur and be charged to your credit card on or about the 20th day of every month until an advanced 30 day written notice for cancellation of this contract is received by Essential Bookkeeping. This *Administrative Fee is in addition to any/all hourly billable time accrued when and if applicable and will be reflected on your billing statement. The first *Administrative Fee will be pro-rated as of the date this contract is signed and accepted.

Initials/ _____

In addition to the specific requested services to be provided by Essential Bookkeeping, additional time may be necessary to complete such requested services. This additional time required is also billable. Additional billable time includes but is not limited to: accounting, bookkeeping, consulting, software and computer technical support, training, tax compilation, review, account familiarization, correspondence, telephone calls, email, and client account administration i.e. clerical, filing, organizing, and misc. setup, etc. Services are billed in quarter hour increments using the "8 minute rule". Adjustments to billed time may be made going up or down depending on this "rule". Clients who should require me/us to be in your office (on-site), billable time includes time for us to prepare to go "on-site" to work at your place of business/office, plus all travel time to and from your place of business at the hourly billing rate. You are also responsible for payment of mileage at the federal rate allowable (currently for 2008), the rate is 44.5 cents per mile and is subject to change without notice) and/or any other out of pocket expenses when applicable. Out-of-pocket expenses include but are not limited to telephone toll or long distance charges, postage & freight (in certain cases), parking and toll road fees. **Initials/** _____

You are responsible for providing all information requested so as to assure substantial accuracy of the services to be provided to you. You will need to review carefully any prepared information, financial data, and backup detail presented to you, as you will have final responsibility for this financial information which may ultimately have an affect on your tax returns. **Initials/** _____

I/we may need, as a situation arises, to clarify, verify, or audit the data submitted for the preparation of any services. I/we will use our best judgment in resolving questions when there is a reasonable basis. However, reasonable basis does not guarantee to provide assurance that a position taken for the compilation of financial information and/or consulting or training will be sustained. **Initials/** _____

Should any errors occur on my/our part, the issue will be resolved at no charge to you however, should errors or misrepresentation occur due to client error, including failure to submit or disclose all information necessary to complete requested services, you hereby agree to pay for the amount of billable time spent for Essential Bookkeeping to resolve and correct the matter. **Initials/** _____

We will retain for our files any information that will be back up to your prepared financial information. These records will include my/our work papers and/or final compiled financial information to be submitted for the preparation of your tax return(s). You will receive copies, unless otherwise requested or agreed of all compiled and completed information. In the event additional copies are needed or requested by you or your staff other than what was originally provided, you will be a charged at the hourly billable rate. These records, including work papers will be retained for a period of (6) months after this agreement is terminated in the case of future questions, review, or correspondence is needed by any tax agencies or other authorized individuals. Billable time will be charged for questions and answers, review or correspondence requested or provided. After the (6) month period post contract termination for services you are required to retrieve the files at your expense. **Initials/** _____

The financial and/or accounting information that will be compiled may be subject to an audit. In the event of any such audits, I/we will be available upon request to represent you during such audit and will render any additional fees for time and expenses incurred. **Initials/** _____

Billing and Payment:

Payment is due at the time services are rendered. Billable time and charges are summarized on each billing invoice. Invoices/Bills are sent via e-mail only, unless however you ask that a "duplicate copy" be mailed to you. A report detailing the summarized Invoice/Bill for services or additional charges will accompany each invoice. However, please be aware that I/we cannot guarantee specifics or detail when services are performed and rendered "on-site" at your place of business. Invoices are due and to be paid the same day as they are presented to you by way of "Phone Check Payment". (Exceptions: see next paragraph). **Initials/** _____

If there is an ongoing project based on the services you have requested, your account will qualify for a weekly billing period. A weekly billing period begins every at Friday 12:00 a.m. and ends Thursday at 12:00 p.m. An invoice with detail will be presented to you via email by 8:00 a.m. Friday morning for the prior week's services. **Initials/** _____

You will need to review the invoice and detail immediately as your payment is due that same day before 12:00 Noon by way of "Phone Check Payment" or perhaps credit card if necessary. Should you have any questions regarding what you have been billed for, you need to contact me/us immediately to discuss. Adjustments may be made if or when the situation deems necessary or applicable. If, in a rare occasion, you are not available to call in a payment prior to Friday, 12:00 Noon, please contact me/us in advance to make other payment arrangements. Otherwise, a "Phone-Payment" check will be issued payable to Essential Bookkeeping from your checking account on file. If there are any questioned charges that were paid with that check, and adjustments are deemed necessary, you will be refunded the amount of the adjustment within four (4) calendar days or the adjustment will be reflected on the next week's Bill/Invoice, whichever is agreed upon. In addition, should this occur, an acknowledgement of the payments processed will be sent to you via email or by fax once the transaction is completed. **Initials/_____**

I/we understand "things happen" so if a situation arises where you are unable to pay an invoice in full, please contact me or my staff as soon as you are in receipt of the invoice so we can work together to resolve the issue and make alternate payment arrangements. **Initials/_____**

Returned Checks Policy:

A \$30 service charge will be applied to your account balance for any payments made to your any outstanding balance by check and the check is returned unpaid for any reason. **Initials/_____**

Deposit of Funds on Account:

It is policy to request a minimum of \$ **250.00** "Funds on Account" prior to beginning services. These funds are held until termination of this agreement to cover "client close-out procedures" which includes but is not limited to closing of account admin files, closing out and preparing for storage your working hard copy files and computer data files etc. Your files will be held for a period of 6 months in case any questions arise that are in regards to any work or services that have been completed. At the end of the 6 month period, you will be notified that your files are ready to be returned and you may retrieve the files at your expense. These "client close-out procedures" will be completed within 40 days from the date of your 30 day advance written notice to terminate agreement. Any monies remaining in your funds balance on account will then be happily refunded to you at the time of completion. **Initials/_____**

In the event there are any outstanding unpaid balances for some reason, and the balance becomes due past 30 days from the date invoiced, your account will be subject to collection action. Should this occur, you agree to pay all reasonable collection costs, Attorney's fees incurred, billable time to process collection action or suits in regards to your unpaid balance plus accrued interest at an annual rate of not less than 21%. **Initials/_____**

Confidentiality:

All information, financial personal, or otherwise supplied to me/us by you for compilation or otherwise deemed personal information, is always held in strictest confidence. No client information, business, personal, financial, or otherwise, will be shared outside our office unless of course if the situation would deem necessary for collection of outstanding balances due to Essential Bookkeeping. **Initials/_____**

Start-up:

There is an initial administrative **start-up** fee in the amount of \$ **150.00** that is due upon acceptance of this agreement. Until all upfront fees are paid including the Deposit of Funds on Account, no services shall be provided unless otherwise agreed upon in writing by either party. This advance payment will be reflected on first billing due. **Initials/_____**

I am pleased to have you as a client and look forward to a mutually beneficial relationship.

Respectfully,

Melinda Mitchell

Melinda Mitchell, Owner
Essential Bookkeeping & Business Services

FIN 33-0837808

*Administrative Fee: This minimal fee helps cover costs that may not be specific to any one client but is beneficial to all clients in general such as un-billable time spent for continuing education, professional development, tax research, costs of administrative materials and supplies used to maintain client records as well as any un-billable time spent in regards to client administration again, not specific to one client but beneficial to all those I/we serve.

If you hereby agree to the terms stated above, print all 3 pages, read and initial where indicated and fill out and sign the following page 3. Fax all to Essential Bookkeeping at 951-461-0530 prior any scheduled meeting. All original copies of this agreement and the completed form to follow are to be returned with your initial first admin fee of \$_____, startup fee of \$150.00 plus the minimum \$ 250.00 deposit. If you have any questions regarding the contents of this agreement, please do not hesitate to call. Copyright © 2005 Melinda Mitchell dba Essential Bookkeeping All rights reserved.

 I Agree to the Terms and Conditions:

By filling out and signing below you agree to the terms and conditions set fourth in the above contract:

I, _____, on behalf of (company/business) _____ have read,
understand, and agree to the terms outlined in this sub-contractual agreement with

Melinda Mitchell, dba Essential Bookkeeping for services this _____ day of _____, 20____.

Signature

Name: (Please Print) _____

Title _____

Address: _____

Phone# _____