



Greenwalt CPAs, Inc.  
5342 W. Vermont Street  
Indianapolis, IN 46224  
[www.greenwaltcpas.com](http://www.greenwaltcpas.com)

December 17, 2020

Ms. Michele Lohmeyer  
Connections Case Management, LLC  
9165 Otis Ave #217  
Indianapolis, IN 46216

Dear Michele:

We appreciate the opportunity to provide payroll services to Connections Case Management, LLC, LLC. To ensure an understanding between us, this letter sets forth the terms of our engagement as well as the nature and limitations of our services to you.

### **Payroll Calculation Services**

We will:

1. Calculate payroll for your employees and direct deposit their payroll checks.
2. Electronically pay and file all federal and state payroll taxes and forms, including the following:
  - a. Payments of 941 deposits via EFTPS according to deposit requirements (semi-weekly or monthly)
  - b. Monthly filing and payment of Indiana state & county taxes
  - c. Quarterly filing of Form 941 – Employer's Quarterly Federal Tax Return
  - d. Quarterly filing and payment of Form UC-1 for state unemployment taxes
  - e. Annual filing of Form 940 – Employer's Annual Federal Unemployment Tax Return and payment of taxes via EFTPS
  - f. Annual filing of Form WH-3 – Annual Reconciliation Form for Indiana
  - g. Annual filing of Form W-3 and preparation of W-2s
3. Give you access to a Greenwalt Portal where all payroll summaries, tax payments and payroll forms will be posted. It is our policy to keep records related to payroll for at least seven years on the Portal, after which they are destroyed. However, we do not keep any original client records, so we will return those to you. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.
4. Enter payroll journal entry and payments of taxes into QuickBooks online.
5. Payment of employee 401k withholdings via the American Funds website.

## Our responsibility

We will continue to run payroll for your company monthly during 2021. We will set up new employees for payroll on an as needed basis using the information from documents that you provide.

## Your responsibility

You will provide us with payroll information on a timely and periodic basis, including hours worked, pay rates, employee status, and benefits information. You will provide us promptly with updated and corrected information as needed.

You must maintain sufficient funds in your bank account to cover payroll expenses and related tax liabilities. You will be charged an exceptions fee if there are insufficient funds in your account when payroll or payroll taxes are due.

You are responsible for the completion and retention of the required employment documentation, including I-9s. If you have any questions regarding the proper preparation of these documents, please ask your Greenwalt representative.

You are responsible for the proper classification of employees and independent contractors. If you need assistance in determining this classification, please contact your Greenwalt representative.

*You are responsible for the reporting of new hires to the Indiana New Hire Reporting Center within 20 days of employment. If you would like for Greenwalt to be responsible for this reporting, please indicate so by initialing here \_\_\_\_\_<sup>ML</sup>.*

## Payment and Filing Services

You may authorize us to make payments and filings for you. To do so, a principal officer or partner of your business must sign the Form 8655 Electronic Services Authorization form and return to us for filing (See attached notice regarding Reporting Agents). If you authorize us to pay your employees electronically, you must ask each of them to sign a Direct Deposit Authorization and retain it in your files.

By giving us access to your bank account, you authorize us to make payroll and payroll tax payments and filings on your behalf, and you will be bound by them as though you had made them yourself. Typically, we will send payment transactions through the Automated Clearinghouse ("ACH") Network. You agree that these payment transactions will be governed by the ACH Rules as in effect from time to time, and that each entry we make on your behalf will be authorized, timely, for an amount due and owing, and will not violate the laws of the United States.

Alternatively, we may agree to print and mail checks to you, or provide you the information to do so yourself.

## **Our fees**

Our fees for providing payroll on monthly basis are based on time incurred and will be billed along with the monthly bookkeeping/controller on loan services. We will send you an invoice monthly. Payment is due within thirty (30) days of the invoice date. Invoices unpaid after thirty (30) days are subject to a 1½% monthly finance charge. If any unpaid invoices are more than sixty (60) days outstanding, we will cease performing all services for this engagement until such balance is remitted in full.

If a dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Connections Case Management, LLC, LLC and Greenwalt CPAs, Inc. both agree that any dispute over fees charged by us will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

## **Services not provided**

We will not audit or verify the information that you provide to us. If an amount appears unusual, we will call it to your attention. However, we are not responsible for the detection of errors, irregularities, theft, fraud or illegal acts. We do not provide legal services.

Any additional accounting services requested will be outlined in a separate engagement letter and billed separately. This may include, but is not limited to, business or personal accounting work, tax preparation work, financial statement compilation, or any compliance services.

## Approvals

We are pleased to have you as a payroll client and hope that this will begin a long and pleasant association. Each of us, however, retains the right to terminate this engagement at any time. Please date and sign a copy of this letter and return it to us to acknowledge your agreement with the terms of this engagement.

Very truly yours,

GREENWALT CPAs, INC.

By Kelley J. Wolfe, CPA  
Kelley J. Wolfe, CPA

KJW:sms

AGREED AND ACCEPTED:

CONNECTIONS CASE MANAGEMENT, LLC

By Michele Lohmeyer

Date 02/09/2021

## IRS DISCLOSURE REQUIREMENTS FOR REPORTING AGENTS

The Internal Revenue Service (IRS) released Revenue Procedure 2012-32, which sets out requirements for Reporting Agents and Reporting Agent Authorization Forms (IRS Form 8655). Form 8655 allows an employer to designate a Reporting Agent to sign and electronically file Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return; Form 941, Employer's Quarterly Federal Tax Return, as well as to make federal tax deposits electronically via the Electronic Federal Tax Payment System (EFTPS).

Revenue Procedure 2012-32 added a new requirement to require that Reporting Agents notify clients in writing when they enter into a contract for services with an employer, and at least quarterly thereafter, that an Authorization does not eliminate the taxpayer's liability for the failure to file employment tax returns or remit employment taxes.

The statement must also recommend that the taxpayer use the IRS EFTPS system to periodically confirm that the Reporting Agent has timely made all required deposits, and advise that state tax authorities may offer similar verification programs. Notices should explain how to enroll in EFTPS, at [www.eftps.gov](http://www.eftps.gov) or by calling (800) 555-4477.

This statement may be provided electronically, either as a stand-alone communication or as a conspicuous element of other communications. If provided as an element of other communications, the notice should have its own heading or caption, or otherwise be set apart from other text, and should be labeled as "important tax information".

The disclosure serves an important function in reminding employers to be cautious in the selection and monitoring of any service provider entrusted with the administration of federal taxes. It also advises employers how to register with the IRS EFTPS to electronically and securely view the employer's tax account to verify that tax deposits are in fact being remitted in full and on time.

If Greenwalt CPAs has already been paying your payroll taxes electronically for you, we will have the EFTPS and INTax login information and can disclose that information to you if so desired. Please contact Greenwalt and we will gladly assist you with this request.