

CONTRACT FOR BOOKKEEPING/FEE ACCOUNTING SERVICES

STATE OF NEBRASKA

KNOW ALL MEN BY THESE PRESENTS

THIS AGREEMENT, made this 4/19/2011 by and between the Gila County Housing Authority located in Globe, Arizona, (Hereinafter called the "Authority"), and Quality Accounts, LLC of Columbus, Nebraska, (Hereinafter call the "Service Provider") witness that the parties hereto agree as follows:

Section I

The Authority hereby retains said Service Provider to perform bookkeeping and fee accounting services as are required under the Preliminary Loan and Annual Contributions Contracts made between the Authority and the Department of Housing & Urban Development, and in accordance with procedures prescribed by HUD as contracted by the Authority.

In order to begin this service in an orderly manner, the Authority agrees to furnish to the Service Provider, if the Authority is already operating under the Preliminary Loan Period, Development Period, or Operations Period, an accurate and currently posted set of general and subsidiary ledgers, balanced to the end of the month prior to the beginning of the bookkeeping/fee accounting services under this, and to furnish to the Service Provider the following information during the periods included:

1. Copy of each daily deposit slip and cash rental sheets containing a breakdown of rent, security deposits, and defined miscellaneous income, etc.
2. Voucher copy of each check together with a copy of each invoice paid coded with HUD account definitions.
3. One copy of rental adjustment journal, one copy of rental register summary.
4. One copy of all contracts entered into by the Authority
5. Copy of complete bank statements for all open accounts
6. One copy of approved Development Cost Budget, Operating Budget, Modernization Budgets and revisions thereto.
7. Transcript of insurance register as of the date of the beginning of the bookkeeping/fee accounting service, and one confirmed copy of each subsequent policy and renewals thereof when received from insurer.
8. Fiscal Agent Bank Statement (to be mailed to Service Provider by the Authority at the close of each month).
9. A list of nonexpendable equipment (Depreciation Schedule) which is balanced to the related Development Cost or Property Ledger Account as of the date of the beginning of the accounting services.
10. Copies of all correspondence from HUD to the Service Provider.
11. Copies of all correspondence or reports relating to transactions affecting any of the debt amortization fund accounts with Authority
12. A monthly trial balance of tenants accounts receivable and security deposit accounts showing the account number and balance of each account.
13. A certified statement containing a description of each item of nonexpendable equipment disposed of, the method of disposition and the amount of proceeds from disposition.
14. A certified copy of the annual inventory of nonexpendable equipment.
15. A copy of the Report on Audit as received by HUD.
16. All other documents, correspondence or reports needed and requested by the Service Provider to maintain complete and accurate books of account.

Section II

During the continuance of this contract the Service Provider shall provide the following basic services:

1. Devote the time and attention necessary to ensure the performance of the bookkeeping/fee accounting services for the Authority is done in an accurate and timely manner. Timely manner is defined to 20-30 business days turn-around time for monthly financial reports. The exception being the last month of fiscal year for year-end processing and any other month agreed on in advance by both parties.
2. Perform all operations necessary to maintain the general ledgers and subsidiary ledgers for the Authority; and to prepare, maintain or furnish as applicable financial reports and records. Provide consultation and review of financial documentation as needed prior to Board Meetings.
3. The Service Provider shall furnish to the Authority the following records, documents, and Reports:
 - Prepare Reconciliation of Bank Statement(s)
 - Prepare Trial Balance
 - Prepare Financial Statements for Board Review of Operations, which include the following reports: Balance Sheet; Statement of Revenues and Expenditures (monthly & cumulative); Budget Comparison Statement
 - Prepare General Ledger
 - Prepare Transaction Ledger
 - Maintain Non-expendable Property Records/Depreciation Schedule
 - Maintain Insurance Register
 - Prepare ledgers showing the amounts budgeted and the actual amounts for the fiscal year to date as of the end of each month.
 - Financial reports prescribed for transmittal to HUD as outlined in the fee for service schedule.
 - A reconciliation of the balances of tenant accounts, whenever the summary of transactions with tenants does not agree with the Service Provider's control record.
 - Other data as the Authority may reasonably require from time to time.

Section III

The Authority shall pay the Service Provider from the funds provided in the approved and/or qualified development and operating budgets for such purpose, as fee for the bookkeeping/fee accounting services enumerated in Section II above. The contract is for an annual amount of \$1,260.00 per the breakdown outlined below:

* Section 8 Program – Monthly Service	\$75.00
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Supplemental services will be provided on a fee per service basis. The fee schedule for Supplemental Services included, but are not limited to the services outlined below:

* One Time Setup of Account	\$ 60.00
* Year-End Closing & Audit File Preparation	\$150.00
* Unaudited FASPHA REAC Submission	\$150.00
* Section 8 Operating Budget	Bid
* Section 8 Operating Budget Revision	Bid
* Audited FASPHA REAC Submission	Bid
* Onsite Training/Consulting or Board Meeting Attendance	Bid
* Vendor 1099 – Maintain and Print at Year-End	Bid
* Payroll, Related Tax Reports, Employee W-2 Processing	Bid

It is understood and agreed upon that, should the Authority fail to furnish to the Service Provider the information on which the maintenance of the Authority's records is predicted within a reasonable time following the date these materials are due, then the Service Provider shall be released of their responsibility under this contract to perform the services listed under Section II above, until such time as the necessary information is furnished to the Service Provider. Reasonable time frame is defined as sufficient time to allow for turn around time noted in Section II and meet Housing Authority's reporting schedule.

The terms of this contract shall be for a period of 24 months beginning 7/1/2010 . This contract is subject compliance with Attachment A as well as the cancellation provisions of ARS 38-511. Any such notice shall be effective by Certified Letter – Return Receipt Requested, mailed to the following address:

ADDRESS OF SERVICE PROVIDER:

Sherry L. Karlin
Quality Accounts, LLC
PO Box 1216
Columbus, NE 68602-1216

ADDRESS OF AUTHORITY:

Gila County Housing Authority
5515 S Apache Ave., Ste. 200
Globe, AZ 85501

All books of account and records maintained for the Authority, together with all supporting documents, shall remain the property of the Authority and shall be returned to the Authority after they have served their purpose with the Service Provider, in any event, upon termination of the contract.

All financial reports prepared by the Service Provider are noted as unaudited financial information and the accuracy of the reports are completed according to the best of the Service Provider's knowledge and belief, based upon the information and date furnished by the Authority or which is readily available to the Service Provider.

Section IV

The Service Provider shall promptly notify the Department of Housing & Urban Development concerning any operational and/or financial irregularities which may surface in the performance of routine bookkeeping/fee accounting services.

Independent contractor: The parties intend that the Service Provider will not be considered an employee of the Authority, but will act as independent contractor for Authority at all times.

IN WITNESS WHEREOF, the parties hereto have executed this contract this 19th day of April 2011.

Attest:

Gila County Housing Authority

Marian Sheppard,
Chief Deputy Clerk

By _____
Michael A. Pastor
Title Chairman, Gila County Board of
Supervisors

Approved as to form:

SERVICE PROVIDER: Sherry L. Karlin
Quality Accounts, LLC

Bryan B. Chambers
Chief Deputy County Attorney

By Sherry L. Karlin
Owner

ATTACHMENT "A"

(CONTRACT TITLE)

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Firm hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Firm's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Firm shall further ensure that each subcontractor who performs any work for Firm under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Firm and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Firm's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Firm to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Firm shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, (subject to County approval if MWBE preferences apply) as soon as possible so as not to delay project completion.

Firm shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Firm. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Firm's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Firm shall be entitled to an extension of time, but not costs.

ANTI-TERRORISM WARRANTY

Pursuant to A.R.S. §35-397 the Firm certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

CANCELLATION

This agreement is subject to cancellation pursuant to A.R.S. § 38-511.