



Client Services Agreement

This Client Services Agreement (this "Agreement") is made and entered into on this ___ day of June 2023 (the "Effective Date") by and between Crosslake Community School #4059-07 (the "Client") and Dieci School Finance, LLC (Dieci).

In consideration of the mutual promises contained in this Agreement, the parties agree as follows:

Section I: Term

The term of this agreement is from July 1st, 2023, through June 30th, 2026.

Section II: Services

The Client agrees to engage Dieci and Dieci agrees to perform the services set forth in Exhibit A.

The Client shall provide Dieci with a list of staff, board members, officers, and/or other individuals who are authorized to request and/or approve specific services, materials, and the release of information. A duly designated representative of the Client will authorize the execution of requests that fall outside the parameters of the services set forth in Exhibit A prior to Dieci's execution of those requests.

Dieci shall conform to a schedule established in cooperation with the Client for any of the services set forth in Exhibit A. In the event the Client, the Client's representative, and/or outside contractor is unable to comply with the established schedule, Dieci will not be held liable for failure to complete agreed upon services according to the identified schedule.

It is expressly understood that Dieci is performing the services hereunder as an independent contractor and not the agent, partner or employee of the Client and this Agreement shall not be construed to create any type of partnership, joint venture, agency or employment relationship between Dieci and the Client. All liability, payments, and agreements (other than this Agreement) are between the Client and selected contractors. Dieci is not responsible for any negligent act or omission by any other contractor hired by the Client.

Section III: Compensation

The service responsibilities outlined in Exhibit A will be met by Dieci for the following rates:

Cost Summary:

For the period from July 1, 2023 to June 30, 2024 the Client agrees to pay a contract fee of \$5,833 per month.

For the period from July 1, 2024 to June 30, 2025 the Client agrees to pay a contract fee of \$6,008 per month.

For the period from July 1, 2025 to June 30, 2026 the Client agrees to pay a contract fee of \$6,188 per month.

The above Monthly Rates assume no changes in services and Dieci using its standard procedures and reporting. If Dieci determines that the Client's requirements or other factors beyond Dieci's control are causing Dieci to deviate from its standard procedures and reporting or are requiring Dieci to dedicate substantially higher than normal hours to provide the services to the Client, the Client agrees to either increase the monthly rates or work with Dieci in good faith to create a mutually agreed upon solution.

Other Charges/Service Needs

Other Charges:
Copies.....\$.10/copy
Mileage.....IRS approved rates
Other Expenses (i.e. Office Supplies).....at cost
Courier service for delivered paychecks...at cost

The Client agrees to pay \$75/hour for all requests for services outside of the services listed in Exhibit A. Hourly charges are billed in 15-minute increments and where possible will not be incurred without prior authorization of the Client.

Dieci will typically invoice the Client within the first 10 calendar days of each month for the then current monthly rate and for reimbursable expenses and any billable hourly charges from the prior month. Payment of each invoice is due on or before the last business day of the month in which it is sent. If for any reason an invoice is sent on or after the fifteenth day of the month, it shall be due and payable within fifteen (15) days of the date it was sent. A service charge of 1.5% per month will be assessed on all invoices not paid when due. The Client agrees to pay reasonable attorney fees and collection fees incurred by Dieci relating to the collection of fees for service performed under the terms of this Agreement.

Section IV: Solicitation

The Client recognizes that Dieci's workforce constitutes an important and vital aspect of its business. The Client agrees that during the term of this Agreement and for a period of one year following the date of termination of this Agreement for any reason whatsoever, the Client will not directly or indirectly offer to employ, solicit, assist anyone else in the solicitation of, or otherwise engage any of the then current employees or independent contractors of Dieci to terminate their employment or services with Dieci and to become employed by or associated with any business enterprise with which the Client may then be associated, affiliated, or connected without the prior written approval of Dieci.

The Client acknowledges that violation or threatened violation of this Section will cause Dieci irreparable damage and agrees that in addition to any rights and damages Dieci may otherwise have, any such violation or threatened violation shall be proper subject matter for immediate injunctive relief. The Client hereby waives the claim or defense in any action that Dieci has an adequate remedy at law or in damages and the Client shall not claim in any such action or proceeding the claim or defense that such remedy at law or in damages exists. In addition, the Client agrees that it will be liable for all attorneys' fees incurred by Dieci in seeking to obtain or obtaining an injunction because of the Client's violation or threatened violation of this Section.

Section V: Amendments

The terms of this Agreement may be changed by mutual agreement of the parties. Such changes shall be effective only on the execution of written amendment(s) signed by Dieci and the Client.

Section VI: Termination

This Agreement may be terminated at any time with or without cause by written notice delivered by registered or certified mail, return receipt requested, by either party to the other at least sixty days prior to the termination date set forth in the notice. To ensure an orderly separation, normal operation and charges will continue during the period from the notice to the termination date.

Dieci may, at its sole option and discretion, terminate this Agreement immediately upon its discovery of any improper or illegal activity on the part of the Client or its officers, agents, directors or employees.

All records belonging to the Client will be returned to the Client in a standard format upon termination of this Agreement after all outstanding payments have been received by Dieci for services provided to the Client. All templates and tools created by Dieci remain the property of Dieci.

Section VII: Liability

Dieci and the Client shall defend, indemnify, and hold each other, its successors and assigns, and their respective officers, agents, directors, and employees, harmless from and against any and all claims, causes of action, damages, costs, and expenses (including reasonable legal fees) that any of the foregoing may suffer or incur arising out of or resulting from: (a) breach of this Agreement, (b) negligent acts or omissions of the other party, its officers, agents, directors, or employees or (c) illegal or improper activities of the other party, its officers, agents, directors, or employees.

The maximum aggregate liability of and to any and all persons and entities, arising out of or in connection with this Agreement or the actions of either party, its officers, agents, directors, or employees, whether such liability arises from any claim based upon contract, warranty, tort or otherwise, shall in no case exceed three times the monthly rate in effect when the claim arose.

Section VIII: Disclaimer

The Client acknowledges that Dieci, its employees and independent contractors are not attorneys and cannot provide legal advice. The Client also acknowledges that employees of Dieci may share their perspectives and opinions on areas of school operation outside of those services set forth in Exhibit A. The Client further acknowledges that in such areas, the advice of Dieci, its employees or independent contractors does not constitute expert or legal advice and must not be used as a substitute for the counsel and services of a licensed attorney or other licensed professional, as appropriate, and agrees not to rely on the advice of Dieci, its employees or independent contractors as legal advice. If the Client seeks legal advice, the Client agrees to contact a licensed attorney to provide such advice.

Section IX: Notification

Dieci may, at its sole option, report to the Client's chief executive officer and board of directors any activity of the Client, its officers, agents, directors, or employees which Dieci suspects to be improper or illegal.

Section X: Signatures

Signatures below indicate the agreement of both parties to the enclosed terms. Signed and agreed:

Crosslake Community School 4059-07:

Authorized Representative (signature) _____

Authorized Representative (print) _____

Authorized Representative Title_____

Date _____

Dieci School Finance, LLC (Dieci):

Authorized Representative (signature) _____

Authorized Representative (print) _____

Authorized Representative Title_____

Date _____

EXHIBIT A SERVICES

1. *Set-Up Services:*

- Work with and provide necessary financial information to the authorizer throughout the year.
- Ensure all information from purchase orders and other financial information is submitted in a timely manner.
- Work with the school to create the annual budget as well as procedures to review the budget and build monitoring procedures.
- Evaluate school financial goals and incorporate them into the tracking and management systems.
- Create and implement additional internal controls, if necessary.
- Review payroll and processing to ensure proper integration with your financial system.

2. *Routine Services:*

- Process accounts payable and receivable.
- Review UFARS account codes for all expenses and revenue.
- Enter all transactions into the finance software system.
- Integrated payroll processing, using either the payroll module in the financial software, or a payroll service provider, including posting payroll transactions into finance software system using proper UFARS coding.
- Sensitive payroll information will be sent/received via a secure and encrypted email service.
- Maintain budgets in financial software system and make changes as needed.
- Create and maintain budgets necessary for grant applications.
- Communicate with the Department of Education as needed to ensure compliance of state-required reporting.
- Continuous financial consultation to ensure the schools needs are met and in line with the program's vision.
- For new employees, their first paycheck will be delivered directly by Dieci School Finance or via a courier service.

3. *Monthly Services:*

- Perform bank reconciliation(s).
- Perform cash flow projection and monitoring.
- Perform general ledger reconciliation.
- Enter Title Funds and Special Education expenditures into MDE systems, including monitoring of federal and state programs on SEDRA, SERVVS, etc.
- Produce monthly report package, including Dashboard, Balance Sheet, Income Statement (revenue/expenditure report compared with budget), Payment Register and Cash Flow Projection.
- Provide written reports for board meetings as required.
- Provide suggestions and advice on how to maximize school funds.
- Grant accounting and reporting of all restricted funds.
- Attend Board Meeting and/or Finance Committee Meetings as agreed upon.

4. *Quarterly Services:*

- Review and analyze the budget.
- Report trends and recommend changes to the Board.
- Verify proper UFARS coding and make changes as necessary.

- Assistance with STAR Reporting.
- Bond Reporting per covenants.

5. *Annual Services:*

- Prepare financial reports as needed by MDE or other governmental agencies.
- Create annual financial statements.
- Manage the process of creating the annual operating budget.
- Aid in completion of required grant reporting.
- Prepare and file 1099's.
- Prepare the 990 Tax information.
- Work with grant writers or other school personnel to establish budgets for special programs.
- Provide UFARS coding for special programs and/or grants.
- Upload UFARS year-end reports.
- Title and Special Education applications.

6. *Audit Preparation:*

- Close out books for the fiscal year.
- Prepare audit work papers.
- Analyze revenues and process accounts receivable journal entries.
- Evaluate expenditures and process journal entries.
- Review accounts payable and enter accounts payable listings.
- Review and enter appropriate salary data.
- Compare restricted funds coding with revenue sources and expenditures.
- Oversee scheduling of audit meetings and work closely with the selected auditor to ensure that all deadlines and compliance criteria are met.

7. *Other Services and Support:*

- Provide formal Board training in finance. We will coordinate formal training in other areas like HR Practices and Governance.
- Charter School Finance Award: Most of our clients receive this award on an annual basis.
- Back-office business structuring/guidance: We will provide guidance with your business back office and help you determine the structure. We provide our standard procedures and best practices that can be implemented to your structure.
- Building relationships with the school: The most important part of the relationship is developing trust with the Director, business office and Board. We achieve this trust through transparency, accuracy, and timeliness, while engaging the school on a regular basis as we develop the budget, understand your goals, as well as your financial needs. We will work closely with your leadership team to develop a flexible template, enabling what-if analysis and easy decision making. We also use this time to assist the school in implementing procedures and best practices.