



Outsourcing Preparation Statement of Work

Date: May 29, 2024

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and The Cove of Lake Geneva Condo Association (“you” and “your”) dated May 29, 2024 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Allison Held is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Jennifer Ayers is responsible for the daily activities of the engagement.

Ongoing normal accounting services:

- Prepare depreciation schedules
- Gather information necessary for the entity’s annual tax return
- Reconcile balance sheet accounts monthly and prepare journal entries
- Prepare financial statements – additional information is provided below
- Prepare financial forecast – additional information is provided below
- Recommend accounting process and procedure efficiencies
- Prepare monthly sales and room tax returns
- Prepare federal Form 1099 and Form 1096 from information provided by you and transmit federal Form 1099 to federal and state taxing authorities on your behalf

Preparation services - financial statements

You have requested that we prepare the monthly financial statements of The Cove of Lake Geneva Condo

Association, which comprise the financial statements identified below in accordance with GAAP (financial reporting framework).

Financial statements:

Balance Sheet
Statement of Operations

The financial statements will not include the statement of cash flows and the related notes to the financial statements.

Management has requested the financial statements be prepared without substantially all disclosures, which is a departure from the financial reporting framework. The financial statements will identify these departures.

The supplementary information accompanying the financial statements, if requested, will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial statements.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the annual financial forecast of The Cove of Lake Geneva Condo Association which comprises the forecasted financial statements identified below.

Financial statements:

Statement of Operations

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions. The financial forecast will identify this departure.

Management has requested the financial forecast be prepared without substantially all disclosures, which is a departure from the AICPA presentation guidelines. The financial forecast will identify these departures.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objective of our engagement is to prepare financial statements in accordance with the financial reporting framework based on information provided by you and information generated through our outsourced accounting services.

The objective of our engagement is also to prepare a financial forecast in accordance with the guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) based on information provided by you.

We will conduct our preparation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement limitations

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's financial statements that we may not identify as a result of misrepresentations made to us by you.

CLA's relationship with you shall be solely that of an independent contractor and nothing in the MSA or a SOW shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

No assurance statement

The financial statements will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Management agrees that the introduction to the summary of the significant assumptions will include a caveat to that effect.

Our firm cannot be associated with any financial statements you file with the U.S. Securities and Exchange Commission (SEC) and accordingly, the name of our firm cannot be included in any of The Cove of Lake

Geneva Condo Association's public filings.

Management responsibilities

The engagement to be performed is conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that our role is to prepare financial statements in accordance with the financial reporting framework.

We are required by professional standards to identify management's responsibilities in this agreement. Those standards require that you acknowledge and understand that management, and those charged with governance, as appropriate, have the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARs:

- a)** The selection of the financial reporting framework to be applied in the preparation of the financial statements and the use of the AICPA presentation guidelines in the preparation of the forecast.
- b)** The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and the development of assumptions that reflect your plans and expectations regarding events and circumstances for the forecast period.
- c)** The prevention and detection of fraud.
- d)** To ensure that the entity complies with the laws and regulations applicable to its activities.
- e)** The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- f)** To provide us with the following:
 - i.** Access to all information relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - ii.** Additional information that may be requested for the purpose of the engagement.
 - iii.** Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements (items a and b).

The AICPA presentation guidelines require a summary of significant assumptions. We will assist management in the development of the assumptions for the financial forecast; however, management

acknowledges that it is responsible for the assumptions (including review and approval of the assumptions) and for the preparation and fair presentation of a financial forecast that presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the financial forecast period, based on management's assumptions and reflecting conditions management expects to exist and the course of action management expects to take during the forecast period assuming the hypothetical assumptions.

For all accounting services we may provide to you, including the preparation of your financial statements, management agrees to assume all management responsibilities; oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Beneficial ownership information reporting

Beginning in 2024 under the Corporate Transparency Act (CTA), certain entities organized in the U.S. (including entities that are disregarded for federal income tax purposes) and foreign entities doing business in the U.S. are required to report information to the Financial Crimes Enforcement Network (FinCEN) as to their beneficial ownership. The report must provide each beneficial owner, each company applicant and other required information. Entities subject to the beneficial ownership information (BOI) reporting include a corporation, limited liability company, or any other entity created by the filing of a document with the secretary of state or similar office under state, Tribal or foreign country law. Note that some entities are exempt from the BOI reporting requirements (including many nonprofits and certain large operating companies).

It is your responsibility to prepare and submit any BOI report to FinCEN that is required under the CTA. We have no obligation to identify any filing requirements or provide any services related to BOI reporting.

You agree that CLA will not be providing any services that could be viewed as having control or being a beneficial owner of the entity that would require you to list CLA, its partners, principals, directors, officers, employees or agents, in any BOI report. We will not act as a corporate agent or in any capacity where we are preparing or filing legal documents on your behalf. We also will not make any management decisions that indicate substantial control of your entity, including the following decisions:

- Reorganization, dissolution or merger of the reporting company; compensation and incentives of senior officers;
- Making, terminating, fulfilling or not fulfilling significant contracts;
- Selecting, terminating business lines, ventures, or geographic focus;
- Making major expenditures, incurring significant debt, issuing securities, approving operating budgets, selling, transferring, leasing or mortgaging principal assets;
- Amending governing documents; or
- Determining the nature, scope and attributes of the business conducted.

Fees and terms

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. We will also bill any third-party software subscription fees that you direct CLA to purchase and incur on your behalf.

Use of financial statements

The financial statements we prepare are for management's use. If you intend to reproduce and publish the financial statements, they must be reproduced in their entirety.

Non-Solicitation

You agree that during the term and for a period of one year after the expiration or termination date of the MSA, you will not solicit, hire, contract with, or engage the services of any person providing services to you on behalf of CLA without the prior written consent of CLA. If you breach this non-solicitation provision, you shall pay \$125,000.00 to CLA as liquidated damages within two weeks of the date on which the former CLA employee or consultant begins his or her new employment with you.

Indemnity

For the services described in this SOW, you agree to indemnify and hold harmless CLA, its successors and affiliates, officers, employees, and agents from any claims brought or asserted by any other person, third party, or governmental body for any loss, damages, liabilities, remedies, or cause of action, and from any reasonable expenses incurred in defending against any such claims or actions (including attorney fees) arising from or relating to the services performed by any CLA party.

Termination of SOW

Either party (you or CLA) may terminate this particular SOW at any time by giving 30 days written notice to the other party. Upon termination of this particular SOW, the provisions of this SOW and the existing MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Allison Held
Consulting Chief Financial Officer
414-238-6804
allison.held@claconnect.com

Response

This SOW correctly sets forth the understanding of The Cove of Lake Geneva Condo Association and is

accepted by:

CLA
CliftonLarsonAllen LLP

Allison Held

Allison Held, Consulting Chief Financial Officer

SIGNED 5/30/2024, 11:19:53 AM CDT

Client
The Cove of Lake Geneva Condo Association




Gail Joyce, Treasurer

SIGNED 6/24/2024, 9:25:11 AM CDT

Certificate of completion

Outsourcing Preparation Statement of Work	Pages: 8	Status: Done
Parties: 2	Variables: 71	Secrets: 0
Certificate pages: 1	Audit log pages: 0	Attachments: 0
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Client (Party)	Signature	Timestamp
Gail Joyce	IP Address: 99.45.127.83	Viewed: 6/13/2024, 1:31:11 PM CDT
gfjoyce26@aol.com	Signing location: On platform	Signed: 6/24/2024, 9:25:11 AM CDT
User ID: L6nOB9YAVRWB7jhsvbmsJxUNIGz1		

Electronic record and signature disclosure

CLA (Party)	Signature	Timestamp
Allison Held	IP Address: 136.226.108.187	Viewed: 5/28/2024, 2:15:52 PM CDT
allison.held@claconnect.com	Signing location: On platform	Signed: 5/30/2024, 11:19:53 AM CDT
User ID: KfUpGm3HQZY9dvPB67X5pxRLudP2		

Electronic record and signature disclosure