

**AMENDMENT TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
MGT OF AMERICA, INC.**

This Amendment to the September 24, 2012 Agreement by and between the COUNTY OF SAN MATEO, hereinafter called "County," and MGT of America, Inc., hereinafter called "Contractor" (collectively the "Parties") is entered into by the Parties on this 9th day of September, 2014;

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, the parties entered into an Agreement for the purpose of preparing the County's SB-90 state-mandated cost reimbursement claims and related services on September 24, 2012; and

WHEREAS, the original agreement granted the County the option to extend service provision by twelve months; and

WHEREAS, the parties wish to amend the Agreement to extend the term through September 14, 2015, and increase the amount by \$39,500 to an amount not to exceed \$113,500.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Section 3 of the Agreement is amended and restated in its entirety as follows:

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A." County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed Seventy-Four Thousand dollars (\$74,000) for the first two years of the Agreement. Through this Amendment, the County has exercised its option for a third year of services for a maximum additional amount of Thirty-Nine Thousand Five Hundred dollars (\$39,500), with the County's maximum total fiscal obligation for all three years of this Agreement not exceeding One Hundred and Thirteen Thousand dollars (\$113,500).

2. Section 4 of the Agreement is amended and restated in its entirety as follows:

4. Term and Termination

Subject to compliance with all terms and conditions, the term of the Agreement shall be from **September 14, 2012** through **September 14, 2015**.

This Agreement may be terminated by Contractor or the County (through the Controller or his/her designee) at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

3. Exhibit "A" to the original Agreement is replaced with the Amended Exhibit "A", attached hereto. The Parties further agree that all references in the Agreement to "Exhibit A" shall hereinafter refer to Amended Exhibit A.
4. All other terms and conditions of the September 24, 2012 Agreement between the County and Contractor shall remain in full force and effect.
5. This Amendment constitutes the entire understanding of the Parties hereto with respect to matters herein and correctly states the rights, duties, and obligations of each party as of this document's date. Any understandings, promises, negotiations, or representations between the Parties regarding the Amendment of the September 24, 2012 Agreement not expressly stated in this Amendment are not binding. All subsequent modifications of this Amendment shall not be effective unless set forth in a writing and executed by both parties.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives,
have affixed their hands.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

MGT of America, Inc.



Mark Charland, President

Date: 08/05/14

Amended Exhibit “A” to Agreement between County of San Mateo and MGT of America, Inc.

In consideration of the payments set forth in Exhibit “B”, Contractor shall provide the following services for claims based on costs from FY 2011-12, FY 2012-13, and FY 2013-14 to be submitted in FY 2012-13, FY 2013-14, and FY 2014-15:

- By August 1 of each year, identify all programs eligible or expected to become eligible for reimbursement under SB 90. Provide descriptions of these claims and data collection needs to the appropriate Department/Office and to the County’s SB 90 Coordinator (“SB 90 Coordinator”).
- By September 1 of each year, prepare draft Claiming Plans for each claiming Department/Office and submit to each Department/Office and the SB 90 Coordinator. Identify department fiscal and program contacts within San Mateo County. Review copies of last fiscal year’s claims. Discuss each department’s time tracking, mandate documentation, and records retention procedures and recommend improvements that will assist in defending claimed costs.

New Claims: First & Second Quarters of FY 2012-13, FY 2013-14, and FY 2014-15

Establish schedule and approach for completion of all new and first-time claims due within the first and second quarters of FY 2012-13, FY 2013-14, and FY 2014-15. This includes direct cost program data and indirect cost rate proposal data.

Annual Claims: Due to the State by February 15 of each year

Establish schedule and approach for completion of all annual claims due to the State by February 15 of each year. This includes direct cost program data and indirect cost rate proposal data.

New Claims: Third and Fourth Quarters of 2012-13, FY 2013-14, and FY 2014-15

Identify new claims that are going to become mandated programs and which departments will be likely to be affected by these claims. Provide early claim summaries and data collection needs to departments so they can start formulating documentation strategies. As new claiming instructions are issued by the State Controller, Contractor will establish schedules and approaches needed to complete all new and first-time claims due during the second two quarters of the fiscal year. This includes direct cost program data and indirect cost rate proposal data.

- In September of each year, provide annual on-site SB 90 training and an initial kick-off meeting for program and fiscal staff. Training should be coordinated with the SB 90 Coordinator and will typically occur during the third week of September.

- Explain to each Department/Office's staff the State's SB 90 requirements and any specific issues related to their particular mandates from a programmatic and fiscal standpoint.
- For County staff that desire to learn more about the SB 90 process, provide a history and overview of the SB 90 program.
- Provide electronic notification on upcoming mandate claims as soon as the Parameters and Guidelines for these programs are approved. These notifications will be sent primarily via e-mail to key department personnel and the SB 90 Coordinator.
- Assist the County to establish relevant, defensible source documentation standards for each claim within each of San Mateo County's claiming departments. Work with the County to ensure that for each of the County's claims, documentation exists showing the mandate was performed and personnel costs are adequately documented.
- Provide perspectives related to how other counties are interpreting and claiming each mandate to ensure nothing is missed. Provide guidance on the current acceptable range of costs being claimed by similar agencies so San Mateo County will be aware of any foreseeable exposures existing at the claiming stage.
- Provide County's SB 90 Coordinator with targeted, relevant communication on statewide issues, interpretations and actions at the Capital relating to the SB 90 process through the fiscal year.
- Meet with Departments by September 19 to review draft Claiming Plans. Finalize Claiming Plans by October 1, and provide copies to each Department/Office and the SB 90 Coordinator.
- Timely complete all eligible claims and Indirect Cost Rate Proposals for all claiming departments and assemble required documentation on the required State Controller claim forms. For multi-departmental claims, cross-reference and analyze data to ensure that each department is capturing cost data for the same cases and are not misclassifying certain cases. Follow up with each Department/Office as needed to complete information for each claim. Coax departments to ensure that all eligible claims are filed on time to avoid the new 10% uncapped penalty. Request assistance from the SB 90 Coordinator as necessary.
- Three components of data collection related to the SB 90 claims are direct cost program data, indirect cost data and supporting documentation.

Direct Cost Program Data Collection

Conduct individual meetings with departments to discuss all reimbursable mandated activities and to develop a schedule and plan for providing the claim data to Contractor so claims can be completed well before claiming deadlines.

Indirect Cost Data Collection

Gather salary and benefit data from the Controller's Office or the individual departments for each required fiscal year. Collect relevant pages from the County's Cost Allocation Plan. Gather information required to prepare OMB A-87 compliant Indirect Cost Rate Proposals.

Supporting Documentation Collection

Assist the County in establishing source documentation standards to support its claims. Work with San Mateo County's departments to determine what types of documentation must be submitted to the State as attachments to the claims, and what types of documentation should be maintained in the County's files in case of a State Controller inquiry or audit. Collect only the documentation that the State Controller requires to be submitted with each claim.

- Perform an internal quality assurance review of all claims and ICRPs.
- Provide the completed claims to the Controller's Office for review and signature at least **two weeks** prior to each claiming deadline.
- Timely submit all claims and required documentation to the State Controller's Office.
 - Perform one final quality control check to ensure the County has signed two (2) original coversheets, all parts of the claim are included, and all required documentation is attached.
 - Hand deliver all signed claims received from San Mateo County to the State Controller's Office on or before the stated deadline. Provide the State Controller with a Declaration of Service form and blank Claims Receipts for their staff to sign and return.
 - Provide the County with hard and electronic copies of all submitted claims.
- Serve as a liaison with the State Controller's Office or Bureau of State Audits. Assist the County by responding to requests or audits by the State Controller or Bureau of State Audits. Provide full-service, unlimited field assistance.
- Assist the County in providing any eligible cost data related to mandated contract services to Special Districts or Cities that have contractual relationships with the County. It is important to note that the State Controller has determined that counties may no longer claim costs on behalf of contract cities or special districts.
- Coordinate the County's overall claiming process and handle all aspects of project coordination. The County's SB 90 Coordinator will assist as necessary to facilitate the timely completion of work.
- Monitor the status of claims and payments. Assist the County with all aspects of remittance tracking throughout the entire fiscal year. Provide the County with copies of all claim receipts, declarations, summary claiming reports and data

collection forms. Develop full-color summary claiming reports that break down the annual claiming cycle into graphic images displaying the following comparisons: dollars claimed per department, total claims per department, dollars claimed for the current fiscal year compared to the past fiscal year.

By June 1 of each year, provide the SB 90 Coordinator and Controller's General Accounting Manager with a list of all amounts claimed, paid and due for each pending claim. Provide payment information to the County as needed.

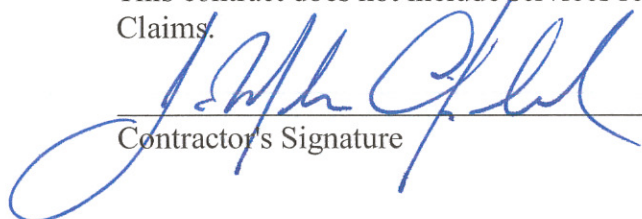
- Provide reports to the County's Budget Coordinator and the County's SB 90 Coordinator on status of data collection, claims preparation, pending issues and other work; descriptions of eligible, suspended, new, and filed claims; explanations for why eligible claims were not filed; and changes in claiming rules and procedures, following the below schedule:

| | |
|-------------|--|
| August 1 | List of all programs eligible for reimbursement under SB 90, list of suspended programs, and list of planned claims for San Mateo County |
| September 1 | Proposed Claiming Plans, with schedule of tasks and timeline |
| October 1 | Revised Claiming Plans |
| November 1 | Status report |
| November 15 | Status report |
| December 1 | Status report |
| December 15 | Status report |
| January 1 | Status report |
| January 8 | Status report |
| January 15 | Status report |
| January 22 | Status report |
| February 1 | Status report |
| February 8 | Status report |
| February 22 | Summary of eligible, suspended and filed claims, with explanations of why any eligible claims were not filed |
| April 1 | Status report |
| June 1 | Status report; list of amounts claimed, paid and due from State |

• **Key SB 90 Deadlines**

| | |
|--------------------------|---|
| Third week of September | Contractor provides SB 90 training for program and fiscal staff |
| Fourth week of September | Contractor meets with departments regarding departmental claiming plans |
| September 23, 2012 | Contractor submits Voter ID Claims to State Controller's Office |
| Third week of October | County submits Annual Claim and Financial Data to MGT |
| November 9 | Contractor delivers Indirect Cost Rate Proposals to Departments |
| December 31 | Contractor delivers Annual Claims to Departments |
| January 1-15 | Departments review and edit final claims |
| January 16-30 | Contractor delivers claims to Controller for final review and approval |
| February 1-10 | Controller reviews and approves final claims |
| February 12 | Contractor submits final claims to State Controller's Office |

This contract does not include services related to filing or defending Incorrect Reduction Claims.



Contractor's Signature

08/05/14

Date

Mark Charland, President

Contractor's Name (Please Print)

Division Head Approval

Date

Harshil Kanakia

Division Head Name (Please Print)

Department Head Approval

Date

Bob Adler

Department Head Name (Please Print)

14110-5858 SB90A

Budget Unit