

**THIRD AMENDMENT TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
MOSS ADAMS LLP**

THIS AMENDMENT TO THE AGREEMENT, entered into this _____ day of _____, 2021, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Moss Adams LLP, hereinafter called "Contractor";

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 accounting and revenue consulting services on November 6, 2018, for the term of November 1, 2018 through October 31, 2021, in an amount not to exceed \$900,000; and

WHEREAS, the parties amended the Agreement on October 25, 2019, to add additional consulting services and increase the amount payable by \$25,000, to an amount not to exceed \$925,000 and replace original Exhibit A and original Exhibit B in their entirety with Revised Exhibit A, (rev. 10/21/19) and Revised Exhibit B, (rev. 10/21/19); and

WHEREAS, the parties amended the Agreement on September 1, 2020, to revise Revised Exhibit A, (rev.10/21/19) and Revised Exhibit B (rev. 10/21/19) in their entirety with Revised Exhibit A, (rev. 8/28/20) and Revised Exhibit B (rev. 8/28/20); and

WHEREAS, the parties wish to further amend the Agreement to extend the agreement by two years through October 31, 2023, increase the maximum amount by \$600,000 to the new maximum amount not to exceed \$1,525,000, and to revise Revised Exhibit B (rev. 08/28/20) in its entirety with Revised Exhibit B (rev. 7/12/21).

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

1. Section 3, Payments, of the Agreement is amended to read as follows:

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. County reserves the right to withhold payment if County determines that the quantity or quality of the work performed is unacceptable. In no event shall County's total fiscal obligation under this Agreement exceed ONE MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$1,525,000). In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination or expiration. Contractor is not entitled to payment for work not performed as required by this Agreement. All invoices must be approved by the SMMC Controller or their designee and paid within 30 days of receipt of the invoice. Invoices must be sent to: SMMC-Accounts-Payable@smcgov.org. Processing time may be delayed if invoices are not submitted electronically

2. Section 4, Term, of the Agreement is amended to read as follows:

Subject to compliance with all terms and conditions, the term of this Agreement shall be from November 1, 2018, through October 31, 2023.

3. Revised Exhibit B (rev. 8/28/20) is replaced in its entirety with Revised Exhibit B, (rev. 7/12/21), a copy of which is attached hereto and incorporated to the Agreement by this reference.
4. **All other terms and conditions of the Agreement, as previously amended, between the County and Contractor shall remain in full force and effect.**

In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For Contractor: MOSS ADAMS LLP


Contractor Signature

July 19, 2021
Date

Glenn Bunting
Contractor Name (please print)

COUNTY OF SAN MATEO

By:
President, Board of Supervisors, San Mateo County

Date:

ATTEST:

By:
Clerk of Said Board

Revised Exhibit B
(rev. 7/12/21)

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, County shall pay Contractor based on the following fee schedule and terms:

Project 1:

The fee schedules below are based on an estimated annual cost.

Service Description	Estimated Fee Per Report / Filing Unless Otherwise Noted
Management Services	
Review Annual AB915 Report Prepared by SMMC	\$4,000
Review Medicare DSH Eligible Days Listing Prepared by SMMC	\$12,000
Review FQHC Annual PPS Payment Reconciliations Prepared by SMMC (Estimated 8 Report Filings @ \$2,000 Per Report)	\$16,000
Review P-14 Workbook Prepared by SMMC	\$16,000
Review of Global Payment Pool Prepared by SMMC	\$5,000
Review of Enhanced Payment Program Prepared by SMMC	\$5,000
Review of Quality Incentive Program Measures Prepared by SMMC	\$10,000
Review AB85 Realignment Report Prepared by SMMC	\$5,000
Review Annual OSHPD Report Prepared by SMMC	\$5,000
Medicare Cost Report Preparation Support and Review	\$25,000
Medi-Cal Cost Report Preparation Support and Review	\$5,000
Subtotal: Management Services	\$108,000

Service Description	Estimated Fee Per Report / Filing Unless Otherwise Noted
Other Reimbursement Filings	
Annual PIP payment survey	\$4,000
Bi-annual CRRP cost filing	\$5,000
CMS and DHCS time study support	\$10,000
Quarterly LTC supplemental claims (Estimated 4 Reports @ \$1,500 Per Report)	\$6,000

Service Description	Estimated Fee Per Report / Filing Unless Otherwise Noted
Annual MUR and LIUR DSH eligibility filing	\$5,000
OBRA Limit, CAP Day, and Managed Care Day Filing	\$8,000
Occupational mix review	\$6,000
SB1115 Waiver requests	\$12,000
Wage index review	\$16,000
Prime	\$20,000
Other Reimbursement Filings Not Listed Above (including IME / GME / EPP / GPP / QIP)	\$15,000
Subtotal: Other Reimbursement Services	\$107,000

Service Description	Estimated Fee
Other Management Services, As Needed	30,000
Pro Forma Analysis	57,000

TOTAL FEE

Service Description	Estimated Fee
Prepare and present the review to Administration	Included
Transition meetings, review of predecessor auditor's workpapers, and getting up to speed	Included
Grand Total for All Listed Services	\$302,000
Contingency Funds for additional services/expenses	\$23,000

Reimbursable Travel Expenses

To the extent that this Agreement authorizes reimbursements to Contractor for travel, lodging, and other related expenses as defined in this section, the Contractor must comply with all the terms of this section in order to be reimbursed for travel.

1. Estimated travel expenses must be submitted to authorized County personnel for advanced written authorization before such expenses are incurred. Significant differences between estimated and actual travel expenses may be grounds for denial of full reimbursement of actual travel expenses.
2. Itemized receipts (copies accepted) for all reimbursable travel expenses are required to be provided as supporting documentation with all invoices submitted to the County.
3. Unless otherwise specified in this section, the County will reimburse Contractor for reimbursable travel expenses for days when services were provided to the County. Contractor must substantiate in writing to the County the actual services rendered and the specific dates. The County will reimburse for travel at 75% of the maximum reimbursement amount for the actual costs of meals and incidental expenses on the day preceding and/or the day following days when services were provided to the County, provided that such reimbursement is reasonable, in light of travel time and other relevant factors, and is approved in writing by authorized County personnel.
4. Unless otherwise specified within the contract, reimbursable travel expenses shall not include Local Travel. "Local Travel" means travel entirely within a fifty-mile radius of the Contractor's office and travel entirely within a fifty-mile radius of San Mateo County. Any mileage reimbursements for a Contractor's use of a personal car for reimbursable travel shall be reimbursed based on the Federal mileage reimbursement rate.
5. The maximum reimbursement amount for the actual lodging, meal and incidental expenses is limited to the then-current Continental United States ("CONUS") rate for the location of the work being done (i.e., Redwood City for work done in Redwood City, San Mateo for work done at San Mateo Medical Center) as set forth in the Code of Federal Regulations and as listed by the website of the U.S. General Services Administration (available online at <http://www.gsa.gov/portal/content/104877> or by searching www.gsa.gov for the term 'CONUS'). County policy limits the reimbursement of lodging in designated high cost of living metropolitan areas to a maximum of double the then-current CONUS rate; for work being done outside of a designated high cost of living metropolitan area, the maximum reimbursement amount for lodging is the then-current CONUS rate.
6. The maximum reimbursement amount for the actual cost of airfare shall be limited to fares for Economy Class or below. Air travel fares will not be reimbursed for first class, business class, "economy-plus," or other such classes. Reimbursable car rental rates are restricted to the mid-level size range or below (i.e. standard size, intermediate, compact, or subcompact); costs for specialty, luxury, premium, SUV, or similar category vehicles are not reimbursable. Reimbursable ride-shares are restricted to standard or basic size vehicles (i.e., non-premium vehicles unless it results in a cost-saving to the County). Exceptions may be allowed under certain circumstances, such as unavailability of the foregoing options, with written approval from authorized County personnel. Other related travel expenses such as taxi fares, ride-shares, parking costs, train or subway costs, etc. shall be reimbursable on an actual-cost basis. Reimbursement of tips for taxi fare, or ride-share are limited to no more than 15% of the fare amount.
7. Travel-related expenses are limited to: airfare, lodging, car rental, taxi/ride-share plus tips, tolls, incidentals (e.g. porters, baggage carriers or hotel staff), breakfast, lunch, dinner, mileage reimbursement based on Federal reimbursement rate. The County will not reimburse for alcohol.
8. Reimbursement of tips are limited to no more than 15 percent. Non-reimbursement items (i.e., alcohol) shall be excluded when calculating the amount of the tip that is reimbursable.

BILLING RATES

Experience Level	Unadjusted Rate Range	Tech/Admin Fee*	Final Billable Rate Range
Partners/Directors	\$550-\$650	5%	\$575-\$685

Senior Managers	\$475-\$525	5%	\$495-\$550
Manager	\$350-\$400	5%	\$365-\$420
Staff/Seniors	\$195-\$320	5%	\$205-\$335

*Vendor's invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Out of pocket travel expenses, as described in the original agreement dated November 6, 2018, will be billed separately and are not included in the 5% charge.

FEE DETAILS

Subject	The Details
Client Acceptance Procedures	The scope of work and fee quotes are subject to Contractor client acceptance process, which 1) verifies that all parties understand the specific services we're being asked to perform, 2) ensures contract terms are acceptable to both parties and in agreement with professional standards, and 3) confirms we've staffed the engagement with individuals qualified with the necessary experience to fulfill Contractor commitments to Contractor prospective client. We'll also need to complete Contractor inquiries of SMMC former auditor as required by Contractor professional
Cost Overruns	During the course of the audit, we'll measure Contractor progress against Contractor planned budget. If situations arise that are significantly different than Contractor expectations, we'll bring them to SMMC attention immediately and discuss various options before we proceed. We'll meet weekly during the course of fieldwork with the appropriate parties to ensure there are open lines of communication between Contractor organizations.
Progress Billing	Progress billings are based on hours and expenses completed at the time of billing. Bills are due upon receipt. We reserve the right to charge interest on accounts over 30 days past due.
Routine Phone Calls and Emails	Contractor will not charge for short telephone calls seeking miscellaneous advice unless those consultations require significant additional work or research. If a matter requires
Minor Research and Consultation	If Contractor is requested to provide minor research or consultation service, Contractor will estimate the number of hours necessary to provide the requested services. We'll then

Project 2:

Charges for Services

Contractor fees will be based on the individual performing the work and the time spent on the engagement. Contractor will cap fees at \$25,000. If Contractor believe that any additions to the scope of Contractor engagement will cause this limit to be reached, Contractor will work with SMMC to develop an additional SOW.

In addition to fees, Contractor will charge SMMC for expenses. Contractor invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses and client meals/entertainment expenses will be billed separately and are not included in the 5% charge.

Contractor fee for the proposed services will be billed on a time-incurred basis and capped, barring any unforeseen circumstances or major changes to the scope of work, as follows.

Project Fees

Consulting Staff Level	Standard Hourly Rate
Partner	\$600-\$650
Director/Senior Manager	\$500-600
Manager	\$275-375
Staff	\$185