

**AMENDMENT NO. 3
TO THE SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
MGT OF AMERICA CONSULTING, LLC
FOR
STATE MANDATED PROGRAMS COST CLAIMING SERVICES**

This Amendment No. 3 to the County of Monterey, Agreement for Services is made and entered into, by and between the County of Monterey, a political subdivision of the State of California (hereinafter “County”) and MGT of America, LLC (hereinafter “CONTRACTOR”); (collectively, the County, ACO and CONTRACTOR are referred to as the “Parties”).

RECITALS

WHEREAS, the County of Monterey on behalf of the Auditor-Controller and MGT of America, LLC had previously entered into an Agreement on December 18, 2018, for the provision of state mandate claiming services, with a one year term and a total Agreement amount not to exceed \$42,500; and

WHEREAS, effective July 23, 2019, the parties entered into Amendment No. 1, extending the agreement term to June 30, 2021, and increasing the not to exceed amount to \$127,500; and

WHEREAS, effective September 17, 2021, the parties entered into Amendment No. 2, extending the agreement term to June 30, 2024, and increasing the not to exceed amount to \$258,863; and

WHEREAS, the Parties wish to amend the Agreement on the same or similar terms, beginning July 1, 2024, extending the term for a three (3) year period (July 1, 2024 through June 30, 2027) for a revised full Agreement term of December 10, 2018 through June 30, 2027 with an increase of \$129,500 thereby increasing the not to exceed amount to \$388,363 to allow for services to continue.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

The Agreement is hereby amended on the terms and conditions as set forth in the Agreement incorporated herein by this reference, as amended, except as specifically set forth below.

1. **Paragraph 2.01.** Paragraph 2.01 shall be amended and replaced in its entirety as follows:

“County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement is not to exceed the sum of \$388,363.”

2. **Paragraph 3.01, TERM OF AGREEMENT.** Paragraph 3.01, TERM OF AGREEMENT, shall be amended and replaced in its entirety as follows:

“The term of this Agreement is from December 10, 2018 to June 30, 2027 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**”.

3. EXHIBIT A – Scope of Services shall be amended by adding several additional services as per EXHIBIT A3 Revised per Amendment #3 attached hereto.

4. If there is conflict or inconsistency between the provisions of Agreement, or this Amendment No. 3, the provisions of this Amendment No. 3 shall govern.

5. This Amendment is effective July 1, 2024.

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Amendment No. 3 to Agreement
with MGT of America, LLC for
State Mandated Program Claiming Services

IN WITNESS WHEREOF, the Parties hereby execute this Amendment No. 3 as follows:

COUNTY OF MONTEREY

DocuSigned by:
wilson.dr@countyofmonterey.gov
9F9A0CA1A01E43C
Contracts/Purchasing Officer

Dated: 6/13/2024 | 1:34 PM PDT

Approved as to Fiscal Provisions:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE
Deputy Auditor/Controller

Dated: 6/13/2024 | 12:50 PM PDT

Approved as to Liability Provisions:

Risk Management

Dated: _____

Approved as to Form:

DocuSigned by:
[Signature]
896D21D44C4341D...
Deputy County Counsel

Dated: 6/13/2024 | 11:27 AM PDT

CONTRACTOR

DocuSigned by:
By: P. Dyer
39A35BE4238D47E...
Signature of Chair, President, or
Vice-President

P. Dyer Vice President, MGT of Ame

Printed Name and Title

Dated: 6/13/2024 | 11:13 AM PDT

By: _____
(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer) *

Printed Name and Title

Dated: _____

***INSTRUCTIONS:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers.

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership.

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT-A

**To Agreement by and between
Auditor-Controller's Office, hereinafter referred to as "County"
AND
MGT OF AMERICA CONSULTING, LLC, hereinafter referred to as "CONTRACTOR"**

Scope of Services / Payment Provisions

A. SCOPE OF SERVICES

- A.1** CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

MGT provides true turn-key mandate cost claiming services to its clients, and our approach is based around personal interaction. Our staff is involved with our clients' claiming process throughout the year, providing proactive news, reports, and the earliest notification of new SB 90 claims possible.

We provide our clients with claiming summaries and data collection guides to assist them in understanding all of the eligible components of each program. This process supplements the interviews that our staff conduct to ensure each department contact understands precisely what data is required, and what the internal deadlines are for submission.

Most agencies are at risk of desk reviews from the State Controller. We believe that part of our job is assisting your departments to understand the appropriate levels of documentation required for each claim the County files.

Finally, the project manager will complete all claims, all indirect cost rate proposals, and compile all elements of the claims in electronic format and send them to Monterey County for review and signature well in advance of the claiming deadline.

MGT Consulting will provide the following services to Monterey County:

- ◆ Identify all possible SB 90 claiming opportunities.
- ◆ Prepare and file all eligible annual SB 90 claims with the SCO.
- ◆ Prepare and file all eligible first time or new SB 90 claims that are due during the fiscal year of the contract.
- ◆ Provide assistance with SCO desk reviews and up to four hours assistance in responding to field audits.
- ◆ Assist the County with knowledge transfer and training on the eligible components of each State-mandated program.

Work Plan

MGT has identified the following order of activities as the most important milestones that must occur for the County to have a successful SB 90 claiming engagement.

Task 1.0: NEW CLAIMS

- 1.1 Establish a schedule and approach needed to complete all new or first-time claims due within the fiscal year.
- 1.2 Assist department staff in understanding the specific mandated requirements for each new SB 90 program, and how the County complies with the specific reimbursable portions of each program.
- 1.3 Prepare all necessary department ICRPs associated with the new SB 90 program.
- 1.4 Prepare claims and perform a quality assurance review of the County's new SB 90 claim(s) to ensure the costs are supported by appropriate source documentation.
- 1.5 Provide the completed claims and ICRPs to the County for review and signature prior to the claiming deadline.
- 1.6 File the signed claims with the SCO prior to the deadline.

Task 2.0: ANNUAL CLAIMS: DUE TO THE STATE BY FEBRUARY 15TH

- 2.1 Establish schedule and approach needed to complete all annual claims due to the state by February 15th.
- 2.2 Work with department staff in describing how the County complies with the specific mandated programs and help the County determine eligible costs.
- 2.3 Meet with staff to discuss data collection needs and establish deadlines for data to be due.
- 2.4 Prepare all necessary department wide ICRPs as they apply to the eligible SB 90 programs.
- 2.5 Prepare claims from the County for SB 90 programs and review the claims for completeness, propriety, and eligibility of costs.
- 2.6 Perform a quality assurance review of the County's SB 90 claims to ensure they mesh with the associated department ICRPs.
- 2.7 Discuss any potential or necessary changes with the appropriate County staff member.
- 2.8 Provide the completed claims and ICRPs to the County for review and signature prior to the claiming deadline.
- 2.9 File the signed claims with the SCO prior to the deadline.

STATE MANDATE REIMBURSEMENT INFORMATION

The SB 90 process is constantly changing and evolving. MGT will provide targeted, relevant communication on statewide issues, interpretations, and actions at the state capitol relating to the SB 90 process throughout the fiscal year via *MGT Instant Updates*®, a series of e-mail communiqués designed to keep our clients up to date with the latest mandate legislation, California Commission on State Mandates decisions, and state agency interpretations. MGT will sort through all of the pertinent activity to provide the County with the most relevant information throughout the year, saving the County time and resources.



AUDIT ASSISTANCE

MGT will monitor State Controller requests or issues that could affect the County’s SB 90 claims. MGT will also provide liaison assistance with the SCO at the desk review level. The SCO may call requesting additional information, or duplicate documentation that may have been misplaced in their offices. Our firm will field these calls and fulfill all appropriate requests without the need for the County’s involvement, if possible. Nobody wants to see the SCO auditing their claims, but higher levels of scrutiny are a fact of life. Our team has experience preparing local agencies for field audits and assisting in their representation beyond the exit conference. This engagement includes up to four hours of audit assistance. If the County requests additional audit assistance, MGT will bill the County at the Consultant’s hourly rate.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/ PAYMENT

County shall pay an amount not to exceed \$129,500 for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

- FY 2023-2024 Annual & New Claims in FY 2024-2025 \$41,500
- FY 2024-2025 Annual & New Claims in FY 2025-2026 \$43,000
- FY 2025-2026 Annual & New Claims in FY 2026-2027 \$45,000

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There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.