

Agenda Summary Report (ASR)

Franklin County Board of Commissioners

DATE SUBMITTED: 09-11-2023	PREPARED BY: Jeff Burckhard
Meeting Date Requested: 09-13-2023	PRESENTED BY: Mike Gonzalez
ITEM: (Select One) Consent Agenda Brought Before the Board x Time needed: 15 minutes	
SUBJECT: MASTER SERVICES AGREEMENT with CliftonLarsonAllen LLP (CLA)	
FISCAL IMPACT: CLA charges a standard rate of \$200 per hour for financial report assistance. However, the total of charges depends on the number of hours that CLA works on the project. The goal is to complete the project before the Harris-White-Leasure Group (HWL) hand-off on October 1, 2023. The project cost is estimated to cost up to \$30,000 and will be paid out of the HAPO Center (405 fund). Here is a breakdown of the potential costs: \$200 per hour x number of hours worked = total cost Total cost <= \$30,000	
BACKGROUND: The Franklin County Commissioners approved HWL as the new management company for the HAPO Center with an anticipated transition on October 1, 2023. To ensure a smooth transition from the current management company, Simmons Venue Management (SVM), to HWL, CLA (a third-party company) will assist in a review of SVM's financials for the HAPO Center. This review will cover the entire period of SVM's management contract, from the beginning to the most recent monthly financials. This review aims to provide HWL and the county with an objective and accurate understanding of the HAPO Center's financial situation. A summary of tasks to be completed by CLA includes (detailed list attached): <ul style="list-style-type: none">• Gathering all financial records for the HAPO Center from SVM• Reviewing the records for accuracy and completeness• Summarizing the findings of the review and recommending potential adjustments in financials The review of SVM's financials is an important step in ensuring a successful transition to HWL as the new management company for the HAPO Center. By providing HWL and the county with an objective and accurate understanding of the HAPO Center's financial situation, the review will help to ensure that HWL can make informed decisions about the future of the center.	
COORDINATION: Admin: Mike Gonzales; Auditor's Office: Matt Beaton, Tim Anderson, Ryan Brimacombe, Jeff Burckhard; PA's Office Jeffrey Briggs	
RECOMMENDATION: Approve master services agreement	

ATTACHMENTS:

ASR –Resolution, master services agreement, CLA SOW

HANDLING / ROUTING: (Once the document is fully executed it will be imported into Document Manager.
Please list the name(s) of party(s) that will need a pdf.)

Original: Clerk of the Board Teresa Alvarez, Jeff Burckhard accounting@franklincountywa.gov pdf

I certify the above information is accurate and complete.

Name:

Title:

FRANKLIN COUNTY RESOLUTION

**BEFORE THE BOARD OF THE COMMISSIONERS OF FRANKLIN COUNTY,
WASHINGTON;**

**IN THE MATTER OF AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A
CONTRACT BETWEEN FRANKLIN COUNTY AND CLIFTONLARSONALLEN LLP
FOR FINANCIAL CONSULTING SERVICES**

WHEREAS, on August 15, 2023, the Franklin County Commissioners directed County Administrator Mike Gonzalez to negotiate a management contract between the county and Harris/White-Leasure Team (HWL)—the most qualified candidate identified through an open and competitive request for proposal process; and

WHEREAS, the county desires to conduct an independent financial audit of the Center to monitor progress and steer direction of the HAPO Center; and

WHEREAS, CliftonLarsonAllen LLP (CLA) is a financial consulting firm that has provided the county with a draft professional services agreement which would allow (CLA) to assess the overall financial condition of the HAPO Center and which is attached hereto as **Exhibit A**; and

WHEREAS, pursuant to RCW 36.01.030, the County Commissioners constitute the contracting authority of the county, have a supervisory power over the affairs of the county, are the business agents of the county, have the care and management of the county funds and business, and have the power to properly exercise those rights and duties;

NOW, THEREFORE,

BE IT RESOLVED that the Board of Franklin County Commissioners hereby directs the County Administrator to execute the consulting contract with CLA in substantially the same form as that attached hereto as Exhibit A, providing authority to correct any scrivener's errors or typos found therein.

DATED this _____ day of _____, 2023.

FRANKLIN COUNTY BOARD OF COMMISSIONERS

Chair of the Board

Commissioner

Commissioner

Attest: _____
Clerk of the Board

Constituting the Board of County Commissioners
of Franklin County, Washington

Prepared by: J. Briggs

Exhibit A



Master Services Agreement

Franklin County
1016 North 4th Avenue TRAC - Res. 2014-403, Pasco, WA
MSA Date: September 6, 2023

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Franklin County (“you,” or “your”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

1. Scope of Professional Services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose all errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal controls as part of any services.

2. Management responsibilities

You acknowledge and understand that our role is to provide the services identified in an SOW and that management, and any other parties engaging CLA, have responsibilities that are fundamental to our undertaking to perform the identified services.

3. Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You

will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client-initiated payment method approved by CLA. CLA's electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for you to make direct bank to bank wire transfers or ACH payments will be provided upon request.

4. Other Fees

You agree to compensate us for reasonable time and expenses, including time and expenses of outside legal counsel, we may incur in responding to a subpoena, a formal third-party request for records or information, or participating in a deposition or any other legal, regulatory, or other proceeding relating to services we provide pursuant to a SOW.

5. Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

6. Dispute Resolution

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

7. Limitation of remedies

These limitation of remedies provisions are not applicable for any audit or examination services provided to you.

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party").

You further agree that you will not hold CLA or any other CLA party liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this MSA,

the services provided under an SOW, the work product, or for any plans, actions, or results of an SOW, except to the extent authorized by this MSA. In no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this MSA and the specific SOW thereunder, but any recovery on any such claims shall not exceed the fees actually paid by you to CLA pursuant to the SOW that gives rise to the claim.

8. Governing Laws, Jurisdiction, and Venue

The MSA is made under and shall be governed by the laws of the state of Minnesota, without giving effect to choice-of-law principles. This includes dispute resolution and limitation of remedies.

9. Time limitations

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this MSA or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within these periods ("Limitation Period"), which vary based on the services provided, and may be modified as described in the following paragraph:

Service	Time after the date we deliver the services or work product*
Tax Consulting Services	36 months
Tax Return Preparation	36 months
Examination, compilation, and preparation services related to prospective financial statements	12 months
Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information	24 months
All Other Services	12 months

* pursuant to the SOW on which the dispute is based

If the MSA is terminated or your ongoing relationship with CLA is terminated, then the applicable Limitation Period is the lesser of the above periods or 12 months after termination of MSA or your ongoing relationship with CLA. The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

10. Confidentiality

Except as permitted by the “Consent” section of this MSA, CLA will not disclose any of your confidential, proprietary, or privileged information to any person or party, unless you authorize us to do so, it is published or released by you, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law, regulation, or professional standard. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us. You also consent to our disclosure of information regarding the nature of services we provide to you to another independent network member of CLA Global, for the limited purpose of complying with professional obligations regarding independence and conflicts of interest.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

The workpapers and files supporting the services we perform are the sole and exclusive property of CLA and constitute confidential and proprietary information. We do not provide access to our workpapers and files to you or anyone else in the normal course of business. Unless required by law or regulation to the contrary, we retain our workpapers and files in accordance with our record retention policy that typically provides for a retention period of seven years. After this period expires, our workpapers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The workpapers and files of our firm are not a substitute for your records.

Pursuant to authority given by law, regulation, or professional standards we may be requested to make certain workpapers and files available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers and files will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers and files to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

11. Other provisions

You agree that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this MSA, except as may be assumed in an SOW.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, any sensitive data, including protected health information and personally identifiable information, must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all sensitive data, please contact us to discuss other potential options for transmitting the document or file.

CLA and certain owners of CLA are licensed by the California State Board of Accountancy. However, CLA has owners not licensed by the California State Board of Accountancy who may provide services under this MSA. If you have any questions regarding licensure of the personnel performing services under this MSA, please do not hesitate to contact us.

During the course of the engagement, there may be communication via fax or email. You are responsible to ensure that communications received by you or your personnel are secured and not shared with unauthorized individuals.

12. Consent to use financial information

We regularly aggregate anonymized client data and perform a variety of analyses using that aggregated data. Some of these analyses are published to clients or released publicly. However, we are always careful to preserve the confidentiality of the separate information that we obtain from each client, as required by the AICPA Code of Professional Conduct and various laws. Your acceptance of this MSA will serve as your consent to our use of Franklin County anonymized data in performing and reporting on these cost comparison, performance indicator and/or benchmarking analyses.

Unless authorized by law or the client consents, we cannot use a client's tax return information for purposes other than the preparation and filing of the client's tax return. By signing and dating this MSA, you authorize CLA to use any and all information furnished to CLA for or in connection with the preparation of the tax returns under this MSA, for a period of up to six (6) years from the date of this MSA, in connection with CLA's preparation of the types of reports described in the foregoing paragraph.

13. Consent to send you publications and other materials

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this MSA, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice.

14. Subcontractors

CLA may, at times, use subcontractors to perform services under this MSA, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this MSA.

15. Technology

CLA may, at times, use third-party software applications to perform services under this MSA. You acknowledge the software vendor may have access to your data.

16. Termination of MSA

This MSA shall continue for five years from September 6, 2023, unless terminated earlier by giving appropriate notice. Either party may terminate this MSA at any time by giving 30 days written notice to the other party.

Upon termination of the MSA, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

17. Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable addendum(s) and SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

CliftonLarsonAllen LLP

Doug Watson

Principal

425-246-8708

doug.watson@claconnect.com



Outsourcing Statement of Work

Date: September 6, 2023

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 Franklin County ("you" and "your") dated September 6, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

1. Scope of professional services

Under the direction of management, CLA may assist with the following relating to the HAPO center vendor agreement:

- Analysis of current G/L detail from QuickBooks
- Reconciliation of bank accounts if necessary
- Reconciliation of other balance sheet accounts
- Propose journal entries as needed
- Propose journal entries for accruals if necessary

Under the direction of Franklin County's management we may be asked to assist your team in their preparation of financial statements; however, we have not been engaged to prepare, compile, review, or audit (as defined by professional standards) your financial statements and, accordingly, we will not present financial statements to you, nor will we express an opinion, a conclusion, or provide any form of assurance on your financial statements. Therefore, our firm should not be discussed or associated with your financial statements. Furthermore, material departures from accounting principles generally accepted in the United States of America (U.S. GAAP) or a special purpose framework may exist and the effects of those departures, if any, on the financial statements you generate may not be disclosed. Because of the extent of material departures that may exist in, or required disclosures that may be omitted from, the financial statements you generate, we make no representations regarding the appropriateness of such statements for your intended use or for any other purpose. Moreover, because of the nature of this engagement, we are not responsible for communicating any such departures or omissions to you.

2. Engagement limitations and responsibilities

For all nonattest services we may provide to you, your management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Your management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

We will perform this engagement in accordance with the Statement on Standards for Consulting Services issued by 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.

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 may not be identified 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.

3. Schedule

We expect that your needs will require approximately 40 hours of services per week starting September 11, 2023. As the engagement progresses, we will update time estimates and engage you in conversation about the project status. If possible, we request a two-week advance notice of your intent to release the consultant back to CLA to ensure adequate time to re-schedule the consultant to another engagement.

4. Fees

The professional fees for services rendered for the scope of services described in this SOW will be billed at a rate of \$200 per hour for actual time spent. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. This engagement will be limited to fees of \$10,000 unless CLA is provided written confirmation from Franklin County to exceed this limit.

Travel is not expected on this engagement; however, travel time will be billed at the normal hourly rate if travel is required. We will also bill you in arrears for reimbursement of any out-of-pocket travel expenses incurred (e.g., hotel, airfare, meals as actual or per diem, etc.) on a pass-through basis.

Should the duration of this engagement go beyond 6 months or the scope of services change, CLA retains the right to discuss an hourly rate adjustment.

Fees, plus applicable state and local taxes, will be billed twice per month in arrears, due upon receipt.

5. Consultant

Doug Watson is responsible for the services identified in this agreement. Jeff Kerneen will be your consultant on this engagement.

6. 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 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.

7. 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.

8. 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.

9. Agreement

We appreciate the opportunity to provide the services described in this SOW under 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

Doug Watson

Principal

425-246-8708

doug.watson@claconnect.com

Response

This SOW correctly sets forth the understanding of Franklin County and is accepted by: