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CUMBERLAND
★ COUNTY ★
NORTH CAROLINA

BOARD OF COMMISSIONERS

MEMORANDUM

TO: Finance Committee Members (Commissioners Council, Faircloth and Keefe)

FROM: Candice H. White, Clerk to the Board

DATE: June 2, 2017

SUBJECT: Finance Committee Special Meeting – Thursday, June 8, 2017

There will be a **SPECIAL MEETING** of the Finance Committee on Thursday, June 8, 2017 at 4:00 PM in Room 564 of the Cumberland County Courthouse located at 117 Dick Street, Fayetteville, NC.

AGENDA

1. Approval of Minutes – May 4, 2017 Regular Meeting **(Pg. 2)**
2. Consideration of Internal Audit Report and Plan **(Pg. 17)**
3. Consideration of Approval of Engineering Services Contract for Solid Waste Management **(Pg. 20)**
4. Consideration of Amendment to Contract for Workforce Services and Award of Additional Funding **(Pg. 30)**
5. Consideration of Approval for Health Care Delivery Services at the Cumberland County Detention Center **(Pg. 55)**
6. Consideration of Annual Transfer to the Health Insurance Fund for Incurred But Not Reported Claims (IBNR) **(Pg. 56)**
7. Other Items of Business **(NO MATERIALS)**

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CUMBERLAND COUNTY FINANCE COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564

MAY 4, 2017 – 9:30 AM

REGULAR MEETING MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Jeannette Council
Commissioner Jimmy Keefe

OTHER COMMISSIONERS

PRESENT: Commissioner Larry Lancaster

OTHERS:

Amy Cannon, County Manager
Melissa Cardinali, Assistant County Manager
Sally Shutt, Assistant County Manager
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Keith Todd, Information Services Director
Sabrina Patterson, IS Enterprise Solutions Analyst
Kim Honan, IS Enterprise Solutions Analyst
Geneve Mankel, Communications and Outreach Coordinator
Brenda Jackson, Social Services Director
Dr. John Lauby, Animal Control Director
Candice H. White, Clerk to the Board
Press

Commissioner Faircloth called the meeting to order.

1. APPROVAL OF MINUTES – APRIL 6, 2017 FINANCE COMMITTEE REGULAR MEETING

MOTION: Commissioner Keefe moved to approve the April 6, 2017 regular meeting minutes.

SECOND: Commissioner Council

VOTE: UNANIMOUS (3-0)

2. PRESENTATION ON BUSINESS INTELLIGENCE PROCESS REVIEW FOR ANIMAL CONTROL

BACKGROUND:

As a part of the Board of Commissioners approved Business Intelligence initiative, the Enterprise Solutions Division within Information Services recently conducted a comprehensive business process review of Animal Control. Through the business process review, several opportunities for business process improvements were discovered.

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A presentation will be provided to review the recommendations set forth to improve these business processes.

RECOMMENDATION/PROPOSED ACTION:

Report will be for informational purposes only. No further action required.

Sabrina Patterson, IS Enterprise Solutions Analyst, stated her presentation on the business process review of Animal Control will cover the following categories:

- Fact Findings
- Discovered Problem Areas
- Recommendations and Value Added Summary
- Recommendations Cost
- Rollout Phases

Ms. Patterson presented highlights of the report as follows:

Fact Findings

- FY2014 to January 18, 2017 - 43,152 animals resided at the shelter
- FY2014 to January 18, 2017 - 21,085 euthanized with 10,643 being adoptable
- FY2015 to February 2017 - \$494,031 revenue
 - \$47,392 for injured animals
 - \$446,639 for spay/neuter fees
- FY2015 to February 2017 - \$384,324 expenses
 - \$17,971 for injured animals
 - \$366,353 for spay/neuter fees
- 20 Veterinarians participate in the county rabies vaccination voucher program
- FY2014 to January 18, 2017 - 43,152 animals resided at the shelter
- FY2014 to January 18, 2017 - 21,085 euthanized with 10,643 being adoptable
- FY2015 to February 2017 - \$494,031 revenue
 - \$47,392 for injured animals
 - \$446,639 for spay/neuter fees
- FY2015 to February 2017 - \$384,324 expenses
 - \$17,971 for injured animals
 - \$366,353 for spay/neuter fees
- 20 Veterinarians participate in the county rabies vaccination voucher program

Discovered Problem Areas

- Administrative/Office Support
 - Uncompleted work assignments
 - Unable to contact staff
 - Inability to communicate electronically
- Shelter Attendants
 - Safety concerns with equipment
 - Mental fatigue due to euthanizations

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- Volunteer Coordinator
 - Unable to keep accurate time records
 - Multiple email distribution groups on multiple computers
- Call Taker
 - Phone system underutilized
 - Missing important information
 - Adoption operational hours
 - Dealing with irate customers due to impounding fees
- Enforcement/Cruelty Officers; more mobilization while in field
 - Irate animal owners
 - Address history of issues
 - Lack of training for equipment
 - Cruelty cases privacy concerns
 - Large video file transfers
- Pet License Notices
 - High cost to print notices
 - For CY16, approximately 24,088 notices were prepared and mailed out at a cost of \$13,303
- Revenue
 - Conflicting data between Chameleon and the Tax Department import
 - Pet license renewals are declining
 - From FY13 to FY16, there was a revenue loss of \$155,924

Recommendations and Value Added

Process Improvement	Value Added
<ul style="list-style-type: none"> • Incorporate the County's Print Shop for pet license notices 	<ul style="list-style-type: none"> • Cost savings \$6,265 (black/white) - \$6,073 (color)
<ul style="list-style-type: none"> • Incorporate Chameleon PostMaster 	<ul style="list-style-type: none"> • Email cost savings \$3,477 (black/white) - \$3,572 (color) • Enhances electronic communication • Central distribution email location
<ul style="list-style-type: none"> • Publicize and educate citizens on pet license fees 	<ul style="list-style-type: none"> • Citizens become aware of County's Ordinance
<ul style="list-style-type: none"> • Revamp the Phone System menu 	<ul style="list-style-type: none"> • Improves customer service • Supervisor visibility • Keeps customers informed about upcoming events
<ul style="list-style-type: none"> • Add additional phones in the Adoption area and the Cruelty Officer's office 	<ul style="list-style-type: none"> • Increases communication • Enables cross trained staff to assist with citizens
<ul style="list-style-type: none"> • Utilize available resources for employees (EAP) 	<ul style="list-style-type: none"> • Reduces stress levels and mental fatigue

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Process Improvement	Value Added
<ul style="list-style-type: none"> Implement a computer kiosk for volunteers 	<ul style="list-style-type: none"> Provides better tracking
<ul style="list-style-type: none"> Purchase a multiple USB data transfer cable 	<ul style="list-style-type: none"> Central location to transfer large video files
<ul style="list-style-type: none"> Add printing codes to the Adoption Ricoh printer 	<ul style="list-style-type: none"> Protects privacy
<ul style="list-style-type: none"> Implement Laserfiche 	<ul style="list-style-type: none"> Reduces paper storage Increase searching capabilities
<ul style="list-style-type: none"> Incorporate safety training for officers 	<ul style="list-style-type: none"> Enhances officers' safety
<ul style="list-style-type: none"> Purchase/upgrade technology equipment and software 	<ul style="list-style-type: none"> Address and alert history Standardization for mobile devices Less equipment breakage and connection failures

Process Improvement	Value Added
<ul style="list-style-type: none"> Implement WebChameleon on mobile devices (iPads or iPhones) 	<ul style="list-style-type: none"> Anytime, anywhere access Off-site adoptions and medical tasks Eliminates annual software cost of \$3,907 Eliminates digital cameras (\$250) and AVLs (\$896) Reduces processing time and downtime for officers
<ul style="list-style-type: none"> Consider placing Animal Control Officers underneath the Law Enforcement Center (LEC) 	<ul style="list-style-type: none"> Ability to charge citizens on scene Access to vital information systems Better training (BLET) and equipment Access to LEC officers for additional protection Communication with County Dispatch

Ms. Patterson highlighted the following recommendations and associated costs:

Current Equipment	Quantity	Individual Cost	One-Time Cost	Annual Cost
One-Time Cost: Laptop (\$1,300), AVLs (\$896), Digital Camera (\$250)	21	\$ 2,446	\$ 51,366	
Monthly Cost: Verizon Wireless Service Charge (\$1106 for 30)		\$ 42		\$ 13,272
Annual Cost: NetMotion (\$1,027)				\$ 1,027
Annual Cost: Chameleon License for Field Officers (\$240)	12	\$ 240		\$ 2,880
		\$ 2,728	\$ 51,366	\$ 17,179

Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
One-Time Cost: iPad Pro 9.7 (\$630), Protective Case (\$53)	21	\$ 683	\$ 14,343	
One-Time Cost: Truck Mount (\$75)	21	\$ 75	\$ 1,575	
One-Time Cost: iPhone 6s (\$99), Protective Case (\$35)	1	\$ 134	\$ 134	
Monthly Cost: Verizon Wireless Service Charge (\$40)	22	\$ 40		\$ 10,560
Annual Cost: AirWatch (\$51)	22	\$ 51		\$ 1,122
Annual Cost: WebChameleon for Field Officers (\$960)	10	\$ 960		\$ 9,600
Windows Server 2016 License	8	\$ 73	\$ 584	
WebChamelon Server License	1		\$ 2,880	\$ 2,880
		\$ 2,016	\$ 19,516	\$ 24,162

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May 4, 2017 Finance Committee

Phone Equipment Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Cisco Phone for Cruelty Officer	1		\$ 549	
Cisco Phone for Adoption Area	1		\$ 494	
			\$ 1,043	
Laserfiche Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Solution License Software	3	\$ 528.00	\$ 1,584	
Annual Support & Warranties	3	\$ 105.60		\$ 316.80
		\$ 633.60	\$ 1,584	\$ 316.80

Data Transfer Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Multiple USB data transfer cable	1		\$ 10	
		\$ -	\$ 10	

Safety Equipment Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Dual Release Catch Poles	Varies	\$92 - \$100		
Cat Tongs	Varies	\$56 - \$62		
Conveyor Belt for Shelter Attendants	1		\$ 637	
		\$ -	\$ 637	

Commissioner Keefe asked how the law enforcement recommendation dovetailed with the budget recommendation to eliminate the Animal Control 7 p.m. to 7 a.m. shift. Amy Cannon, County Manager, stated when looking at ways to reduce costs and looking at the volume of calls that come in overnight, whether to continue to have an Animal Control officer for the evening shift seemed like an area to explore. Ms. Cannon stated other counties do not have evening coverage and even though it is a benefit, there is a cost to it. Ms. Cannon stated as part of the budget process, staff have been looking at the cost benefit.

Commissioner Lancaster inquired regarding civil versus criminal enforcement and stated he thought unpaid citations should be pursued. Rick Moorefield, County Attorney, stated he advised the use criminal enforcement in all ordinances because in the past it has been more effective. Mr. Moorefield stated he thought Animal Control was handling matters in Environmental Court. Dr. John Lauby, Animal Control Director, stated animal cruelty cases are primarily handled in Environmental Court. Mr. Moorefield stated his office can file civil actions but in most cases, to pursue in civil court will cost more than can be recouped. Dr. Lauby stated it also takes two to three months to get an irresponsible dog owner through the process and get the Sheriff's Office to serve a warrant. Mr. Moorefield advised there is a bill pending in the legislature to remove the criminal enforcement aspect from all local ordinances and if that happens, the County's ordinances will have to be revamped. Commissioner Council asked that Management and Animal Control come back with recommendations.

Commissioner Faircloth asked whether discriminating against or banning breeds was legal. Mr. Moorefield stated a ban against breeds is legal but there are other measures that are more successful, such as requiring insurance in order to get a license. Dr. Lauby stated the Breed Specific Limitation (BSL) organization has attorneys and lots of funding to sue counties who try to limit specific breeds. Commissioner Keefe stated privilege licensing for pets needs to be looked at again and put in an ordinance for irresponsible pet owners. Commissioner Keefe stated the only way to combat that is with funding for officers and education. Commissioner Keefe stated he would like for Business Intelligence to look at a better way to collect and come back

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with recommendations. Ms. Cannon stated the PIO developed a campaign and recommendations will be brought back to educate and increase the number of pet registrations.

3. PRESENTATION OF THE INFORMATION SERVICES COST SAVINGS REPORT

BACKGROUND:

Cumberland County Information Services has provided a Cost Savings Report as recorded below as an update on cost saving measures enacted and/or considered by the Information Services Department. Besides meeting the expectations of County Management, this report also serves to showcase three important principles:

1. Effective management of department resources by following a disciplined approach to budgeting;
2. Prioritizing activities and allocating resources accordingly, to ensure the best possible outcomes, and
3. Documenting previous efforts to reduce expenditures and streamline processes.

RECOMMENDATION/PROPOSED ACTION:

Report will be for informational purposes only. No further action required.

Information Services Cost Savings Report – April 2017

Background

Cumberland County Information Services has been requested to provide a compilation of agency efforts and initiatives to generate efficiencies and cost savings for the County. This report is being provided to County Management as an update of cost saving measures considered and/or enacted by the Information Services Department.

Besides meeting the expectations of County Management, this report will also serve to showcase three important principles:

1. Effective management of department resources by following a disciplined approach to budgeting;
2. Prioritizing activities and allocating resources accordingly, to ensure the best possible outcomes; and
3. Documenting previous efforts to reduce expenditures and streamline processes.

FY 2015 - 2017

Enterprise Solutions

In fiscal year 2015, the County Information Services Department embarked on a mission to increase efficiencies and enhance services to the County while maintaining minimal overhead and ensuring fiscal responsibility. This endeavor began by reorganizing the department to create a new division within the existing budget to focus on enterprise-wide solutions, business intelligence, and IT policy. The purpose of the new Enterprise Solutions Division is to:

- Identify opportunities for improvement throughout the County

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- Research and recommend business process improvements to maximize operational efficiencies and eliminate wastes of time and resources
- Explore and propose technology providing enterprise-wide solutions that can be shared by multiple departments for the greatest benefit
- Maintain the County Enterprise Resource Planning (ERP) systems
- Review, revise and maintain County IT policies to streamline and standardize processes and procedures

In addition to the new division, FY 2015 began a continuous improvement methodology that was adopted by all areas of the Information Services Department.

Infrastructure Division

The Infrastructure Division provides support for and maintains County computers, telephones, server systems, network security, and disaster recovery. They also maintain Wi-Fi networks and manage County internet access. In FY 2015, a technology refresh cycle was developed which involves replacing outdated servers, network switches, and other related hardware to improve reliability, enable new and anticipated capabilities, and save money in the long term. There were many other projects implemented to strengthen and support County infrastructure. Several of these included core network, server environment and Exchange email upgrades, a new data backup system, a new enterprise document management system, a new help desk system, an upgrade of the applications used by the County Fire Departments, and free Wi-Fi throughout the Courthouse.

Applications Division

The Applications Division is responsible for sustaining the legacy mainframe system while developing and maintaining internal web applications. In FY 2015, efforts began to develop an application modernization strategy in concert with County departments. This strategy involves retiring legacy applications that are no longer cost-justified or risk-acceptable. One of the many projects implemented in FY 2015 to support long-term efficiencies and cost savings for the County included an upgrade of the mainframe processor, tape drives and storage to ensure continuity of the legacy system while newer options are in consideration or development. Others included the purchase of new Jury software, a rebuild of all Intranet applications, a website feedback system, database server upgrades and consolidation, expansion of GIS applications and services, and development of new work order systems for Central Maintenance and Solid Waste to remove them from the legacy mainframe system.



Through fiscal years 2016 and 2017, the County Information Services Department has maintained the continuous improvement strategies by routinely assessing needs of County departments. Assessments are conducted by all 3 divisions of Information Services. The Infrastructure team completes assessments resulting from hardware, software and/or network requests submitted through the help desk. The Applications team assesses department needs for internal application development. The Enterprise Solutions team proactively conducts assessments through comprehensive business process reviews. Many of the projects completed

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by Information Services through fiscal years 2016 and 2017 are listed below. In FY 2017, efforts also began to develop project prioritization and governance standards to ensure initiatives are selected based on priority, impact, and alignment to the County strategic goals and objectives.

- Business process reviews on multiple departments – Planning, Environmental Health, Veterans Services, Legal, Mail Room, Print Shop, DSS – Food and Nutrition Services, Commissioners Agenda, etc.
- VoIP upgrade for the Sheriff’s Office and other County departments
- Emergency Services Initiatives - EOCC upgrade, Dispatch computers and infrastructure upgrade, and Disaster Recovery site
- County Fire MCT expansion/review
- Security monitoring/mitigation update
- Enterprise Web content management system
- Phase 2 of CMF Work Order System & Inventory and Solid Waste Work Order System & Inventory
- Website Redesign and Development
- Phase 2 of the Child Support Laserfiche project
- Conference Bridge to host conference calls
- Internet upgrade
- Implementation of an Enterprise Resource Planning (ERP) system including County core functions – Finance, Payroll, Human Resources, Benefits and Risk Management, and Utility Billing

Though this list is extensive, it is not a full account of all projects and initiatives completed by the Information Services Division during fiscal years 2015 – 2017. With each initiative, primary goals and objectives include maximizing efficiencies, eliminating waste of resources, increasing productivity, and providing cost savings for long term financial sustainability. The information below provides the cost savings and efficiency gains for many of these efforts.

Summary of Efficiencies Implemented

Maintenance and Operations Efficiencies	Annual Savings
• Telecommunication service provider reduced \$11,600 per month due to the elimination of the PBX which allowed for better insight into the service provider charges. This reduction was accomplished by reviewing charges, terminating unused circuits, eliminating outdated surcharges (mileage, call forwarding, etc.), moving alarm lines to newer technologies, and renegotiating the service contract.	\$139,200
• Computer Room supplies (green bar and ribbons) reduced due to implementing electronic reports instead of printed reports.	\$5,428
• Mainframe backup tapes (3590 and 3592)	\$2,443
• Tyler Munis Upgrade (Annual Cost Reduction due to elimination of CGI)	\$112,085
• Cancelled OSDBA support for Munis – existing IS staff provides same level of support	\$30,000

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<ul style="list-style-type: none"> • Time Warner Cable fiber lines renegotiated. As of January, 2017, we have saved \$1,610 per month by having renegotiated the service contract to a more updated service type and, in some cases, have negotiated for better services at the same price level. 	\$18,800
<ul style="list-style-type: none"> • Virtualization of Servers. Annual cost savings by not replacing physical servers. 95% of our servers have been virtualized reducing the time needed to maintain equipment and allowing us to be much more agile when making choices about hosting, upgrades, re-platforming, etc. Virtualization decreased the number of physical servers by over half. 	\$20,100
<ul style="list-style-type: none"> • Centralized computer hardware budget and procurement (75 PCs @ \$100/PC) 	\$7,500
<ul style="list-style-type: none"> • New CMF Work Order System (estimated minimum) 	\$2,035
<ul style="list-style-type: none"> • New Print Shop Work Order System 	\$1,600
<ul style="list-style-type: none"> • New PIO Work Order System and Health Department Work Order System. Many departments conduct similar activities or purchase the same items independently, and have expressed a need for a work order system. By IS upgrading to a new work order system, many departments have been able to leverage this system at no additional costs. 	Savings Vary
TOTAL:	\$339,191

Business Intelligence initiatives result in recommendations that will improve operational efficiencies to ultimately reduce cost to the County. Time savings provides labor hours that will be used for additional work at no additional cost to the County.

Business Intelligence Initiatives Efficiencies	Projected Annual Savings
<ul style="list-style-type: none"> • Mail Room – no cost savings with new solution, multiple steps eliminated resulting in time savings, observations due in April 2017 for quarterly evaluation <ul style="list-style-type: none"> ○ Discovered unused permits and eliminated cost of \$2500 per year ○ 83% reduction in paper usage for reports ○ Reduced steps to create reports ○ Reduced effort/steps of tracking transactions ○ Improved reporting capabilities 	\$2,500
<ul style="list-style-type: none"> • Print Shop – selection and implementation of new printing equipment, business process improvements <ul style="list-style-type: none"> ○ Provided print job help desk access to all 5 employees ○ New equipment can eliminate position or replace position with one of lower grade and salary (salary and equipment considerations included in savings range provided) 	\$35,786 to \$63,000
<ul style="list-style-type: none"> • Animal Control – recommended several business process improvements and software and equipment upgrades, etc. <ul style="list-style-type: none"> ○ Utilize County Print Shop for pet license notices for savings of \$8,988 - \$10,140 ○ Use Chameleon Postmaster to email pet license notices for savings of \$874 - \$1,457 ○ Implement WebChameleon on mobile devices 	\$14,915 to \$21,234

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<ul style="list-style-type: none"> ▪ Eliminates need for NetMotion for savings of \$1,027 ▪ Eliminates annual cost for field service units for savings of \$2,880 ▪ Eliminates need to purchase cameras @ \$250 each and AVLS @ \$896 each* * Multiple of each are purchased continually through the year (used 5 as average) ○ Other Recommendations: <ul style="list-style-type: none"> ▪ Purchase reliable safety equipment – may reduce worker’s comp claims ▪ Change adoption hours to reduce overtime, comp and exempt time ▪ Implement Laserfiche for document management and redeem office space 	
<ul style="list-style-type: none"> ● Jury – cost evened out with new solution <ul style="list-style-type: none"> ○ 81% reduction in processing time ○ 309 IS annual labor hours reclaimed *Value of labor hours at no additional cost to the County = \$7,259.21 	Elimination of labor hour for IS and reduction of labor hour for Jury Coordinator
<ul style="list-style-type: none"> ● Veterans Services – implemented Bell Data for intake, business process improvements, currently implementing Laserfiche for document management <ul style="list-style-type: none"> ○ 5007 annual labor hours reclaimed ○ Value of labor hours reclaimed at no additional cost to the County = \$86,828.56* * This is equivalent to 2 requested FT positions which the Director stated is no longer needed ○ Eliminated the 15% error rate ○ Eliminated the 5 to 7-day process to create reports ○ Implementing Laserfiche will redeem 297 square feet of office space 	No additional staff required
<ul style="list-style-type: none"> ● DSS Food and Nutrition Services – still in progress, Express Zone team currently being implemented, observations due in April to evaluate improvements <ul style="list-style-type: none"> ○ Implementing Laserfiche can eliminate up to 1,007 file cabinets, which equals 7,455 square foot of office space <ul style="list-style-type: none"> ▪ Can also reduce Patterson Storage cost, which averages \$14,426/year ○ Phone Interview Team can provide time savings of 15-30 minutes per application, which equals 109 to 219 labor hours 	To be determined
TOTAL (Minimum):	\$53,201

Information Technology capabilities are essential for efficient, productive staff, and to support the County’s strategic goals and objectives requiring a focus in technology, business process improvements, and enhanced services for Cumberland County citizens. A balance must be sustained between maintaining legacy systems and current technology, judiciously implementing new technology, and managing the short and long term cost savings.

The strategic direction for the Information Services Department is to proactively seek opportunities to maximize efficiencies and productivity while remaining fiscally responsible. This involves utilizing an IT cost optimization discipline that will accommodate new opportunities and threats that emerge as business requirements evolve, new technologies mature, IT assets reach the end of their useful life cycles and new service and delivery options develop.

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To strengthen and support the financial sustainability of the County, the innovations, initiatives and projects below will be considered or implemented within fiscal years 2018 – 2020.

FY 2018 - 2020

Summary of Future Improvement Considerations

Improvement Consideration	Benefits	Projected Annual Savings
Replace older Cisco switches with Meraki switches	<ul style="list-style-type: none"> • Lower cost per switch • All-inclusive pricing includes enterprise support 	To be determined
Consolidate GIS systems	<ul style="list-style-type: none"> • Eliminates file conversions and work-around requirements between systems • Allows full utilization of existing County GIS system • Reduces duplicated work, cost and overlapping staff tasks 	\$11,032 and up
Consolidate data centers	<ul style="list-style-type: none"> • Eliminate redundant equipment and support • Reduced cost of disaster recovery solutions – each IS department spends about \$50,000/5yrs, eliminating 3 data center sites can save up to \$150,000 over 5-yr period 	\$30,000 and up (3 sites)
VoIP infrastructure as a service	<ul style="list-style-type: none"> • Increased control and automation over VoIP services provisioning • Better operations management 	To be determined
Session Initiated Protocol (SIP)	<ul style="list-style-type: none"> • More reliable than traditional voice trunks. • Inherit redundancy within the technology 	To be determined
Cloud-based systems	<ul style="list-style-type: none"> • Cloud based systems will continue to be considered part of the initial review of a project request to determine the most cost effective approach to the project 	To be determined
Continue to assess document management needs	<ul style="list-style-type: none"> • Reduce usage and cost of paper and storage • Increase automation or workflows and processes • Share information across departments 	To be determined
Adoption of industry standards such as COBIT, ITIL, and ISO/IEC best practices	<ul style="list-style-type: none"> • Reduces total cost of ownership (TCO) for IT projects • Facilitates proactive approach to manage projects, define IT solutions/services and review aging assets • Effective governance of IT activities and management framework of policies, internal controls, defined practices 	To be determined
Assess opportunities for business restructuring and innovation	<ul style="list-style-type: none"> • Maximize efficiencies and productivity • Strengthens support for business process improvements and re-engineering • Provides opportunities to reorganize for departmental 	To be determined

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	<ul style="list-style-type: none"> optimization • Discover operational efficiencies • Eliminate wastes in resource usage • Streamline processes for greater productivity • Strengthen BI analytics • Provide more extensive baselines • Allow insight into what has happened • Better projections of what is likely to happen • Enables future planning and decision-making 	
Elimination of IBM mainframe, software and backup services <i>(see cost breakdown below)</i>	<ul style="list-style-type: none"> • Ability to operate on a newer platform, more reliable • More aligned technology with internal and external support staff • Reduction of Operational responsibilities • Reduction in print services and special paper stock • Eliminates mainframe hardware maintenance and supplies • Elimination of burster for mainframe print jobs 	\$318,264.10
TOTAL (Minimum):		\$348,264.10

The Big Picture of Retiring the Legacy Mainframe System

In coordination with our strategic efforts to deploy an integrated ERP system, we are partnering with our client departments in an applications modernization endeavor to migrate their applications from the IBM mainframe to a more modern computing and user-accessible environment. This will provide a roadmap to allow us to retire the mainframe system and its dependent systems, which will eliminate the associated costs below. The removal of last application on the mainframe is projected to begin in 2018.

Vendor	Product (or description)	Annual Costs
HARDWARE		
IBM	Hardware (zBC12) - Initial Purchase and Installation \$249,752.05	\$49,950.41
IBM	Hardware Maintenance	\$10,480.00
PSR	Storage (DS8870) - Initial Purchase and Installation \$83,066.00	\$16,613.20
PSR	3592 Tape Cartridges (QTY: 25 + 2)	\$1,651.00
PSR	Printronix Printer (P7210) - Initial Purchase \$12,345.00	\$2,469.00
PSR	Printronix Printer (P7210) - Maintenance [2/21/2016 - 2/20/2019]	\$2,902.00
IntegraServ	Printronix Printer (P7220) - Initial Purchase \$8,788.00	\$1,757.60
IntegraServ	Printronix Printer (P7220) - Maintenance (initial)	\$1,261.00
IntegraServ	Printronix Printer (P7220) - Maintenance [7/1/2016 - 6/30/2017]	\$1,278.26
Computer Plus	Tape drive maintenance - 3590	\$3,136.00

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Computer Plus	Tape drive maintenance - 3592	\$829.00
Kodak Alaris	Burster maintenance	\$3,308.00
SOFTWARE		
IBM	Software Maintenance	\$46,830.00
PSR	z/VSE Central Functions	\$27,952.00
PSR	Support Services	\$25,000.00
T. Farlow & Associates	Disaster Recovery Services	\$32,448.00
Data 21	IP Bridge, IP Server	\$1,538.00
Sync Sort	Sort software	\$6,329.00
CSI	BIM editor and related software	\$11,343.00
CA Technologies	Software	\$3,955.00
Barnard Software	Opti-Audit & TCP/IP Tools	\$4,243.63
Thigpen	VSE2PDF	\$1,500.00
Tyler Technologies	OASIS (TAX) software maintenance	\$61,490.00
TOTAL		\$ 318,264.10

Keith Todd, Information Services Director, referenced the Cost Savings Report recorded above and provided the following presentation to highlight measures taken to increase cost savings.

IT Cost Saving Principles

- Effective management of department resources by following a disciplined approach to budgeting.
- Prioritizing activities and allocating resources accordingly, to ensure the best possible outcomes.
- Documenting previous efforts to reduce expenditures and streamline processes.

FY2015-2017 / IS Implementation of New Strategies

- Maintained continuous improvement strategies by routinely assessing the needs of County departments.
- Implemented Enterprise Solutions Division to identify opportunities to increase efficiencies enterprise-wide versus individually or in silos.
- Established a technology refresh cycle and completed multiple projects to improve reliability, enhance infrastructure and provide long term cost savings.
- Began application modernization strategy to retire the mainframe system and migrate dependent systems to modern environment to improve sustainability.

Annual Cost Savings Implemented

FY 2015 – 2017 Maintenance and Operational Efficiencies

- Telecommunications services - \$139,200/year.
- Reduced computer room operations - \$7,871/year.
- Tyler Munis Upgrade - \$112,085/year.

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- OSDBA support - \$30,000/year (Tyler Munis support).
- TWC fiber - \$18,800/year via renegotiated contract.
- Virtualized servers - \$20,100/year.
- Centralized computer procurement - \$7,500/year via bulk purchasing.
- In-house work order systems - \$3,635/year.

Total Savings for Maintenance and Operational Efficiencies = \$339,191 per year over past three years.

Business Intelligence Initiatives

FY 2015 – 2017

- Mail Room –83% reduction in paper usage for reports, eliminated unused permits \$2,500/year.
- Print Shop –new printing equipment \$35,786 plus/year.
- Animal Control – \$14,915 or more/year.
- Jury – processing reduction 81%, 309 labor hours reclaimed.
- Veterans Services –5,007 labor hours reclaimed (equivalent to 2 FT positions), eliminated report errors, and streamlined reports.
- Initiatives in Progress: DSS, Planning, Environmental Health, Gun Permits, Fire Inspections, Commissioner’s Agenda process, etc.

Annual Cost Savings

FY 2018 – 2020 Future Improvement Considerations

- GIS systems consolidation - \$11,032 or more/year.
- Data Center Consolidation - \$30,000 or more/year.
- IBM mainframe elimination - \$318,264/year.
- Other considerations with cost savings to be determined include:
 - VoIP infrastructure as a Service
 - Increase of cloud-based systems
 - Continued assessment of document management needs
 - Assessment of opportunities for business restructuring and innovation

Total Savings for Future Improvement Considerations = \$348,264

Mr. Todd concluded his presentation and responded to questions about enhancing the level of customer service at the same time money is saved; initiatives in central permitting, inspections and code enforcement; and digital records storage/document management according to retention schedules. Commissioner Faircloth inquired regarding backup and the use of cloud storage. Mr. Todd stated intranet storage is handled internally and there are service level agreements that support security with the cloud.

4. OTHER ITEMS OF BUSINESS

Ms. Cannon recognized Brenda Jackson, Social Services Director, who provided an overview and update on Senate Bill 594-Family/Child Protection and Accountability Act. Ms. Jackson stated this bill is a large complex piece of legislation being presented by Senator Tamara Barringer as a child welfare bill and has about eight components. Ms. Jackson stated components two through eight contain good things about ways to improve child welfare services;

DRAFT

however, there are concerns associated with part one which calls for regionalizing the 100 county departments of social services into 30 regions by 2022. Ms. Jackson stated the bill calls for the creation of a work group to develop an implementation plan for the 30 region structure which will change the governing structure, but the legislation does not address who will govern the 30 region structure. Ms. Jackson stated she is bringing this bill forward for informational purposes as the legislation has been introduced in one committee in the Senate but not yet introduced in the House.

Ms. Jackson stated the DSS Directors' Association met with Senator Barringer and shared concerns about the loss of local administration of social services, transitioning to a regionalized model of service delivery in light of the issues the agency has witnessed following the mental health shift to privatization/regionalization, and unknowns in the proposed legislation related to how funding will be managed under a regionalized social services system. Ms. Jackson stated DSS receives 71 percent of its budget from federal/state funding and explained how there could be a significant fiscal impact to the County's cost allocation and indirect cost plans with a loss in revenue. Ms. Jackson stated counties currently have the flexibility to work with community partners to customize effective service delivery and safety and the legislation includes complex provisions that would change the local administration of social services.

Ms. Jackson stated Senator Barringer has expressed interest in engaging the DSS Director's Association in discussions about how to improve the legislation and address specific concerns about regionalization. Ms. Jackson stated the hope is that legislators will look at this proposed legislation as a study or pilot because of the complexities therein, and then go back to the General Assembly before making any permanent legislation to force or mandate regionalization.

Questions and comments followed. Ms. Cannon stated staff will keep the Board updated.

There being no further business, the meeting adjourned at 10:40 a.m.

AMY H. CANNON
County Manager

JAMES E. LAWSON
Deputy County Manager



CUMBERLAND
★ COUNTY ★
NORTH CAROLINA

MELISSA C. CARDINALI
Assistant County Manager

W. TRACY JACKSON
Assistant County Manager

ITEM NO. 2

OFFICE OF THE COUNTY MANAGER

MEMO FOR THE AGENDA OF THE
JUNE 8, 2017 MEETING OF THE FINANCE COMMITTEE

TO: FINANCE COMMITTEE MEMBERS
FROM: TAMMY GILLIS, INTERNAL AUDIT DIRECTOR *Tammy*
DATE: MAY 23, 2017
SUBJECT: CONSIDERATION OF INTERNAL AUDIT PLAN

Presenter(s): Tammy Gillis, Internal Audit Director

Estimated of Committee Time Needed: 10 Minutes

BACKGROUND

At the June 15, 2015 Board of Commissioner's meeting, an Audit/Finance Committee Charter was adopted. The Charter requires that an audit plan be submitted to the Audit Committee for approval. The Audit/Finance Committee approved a January - June 2017 audit plan at the March 2, 2017 Finance Committee meeting.

A summary of audits/projects completed during the January – June time period and a plan for the July - December 2017 time period are being submitted at this time. In November a plan for the second half of fiscal year 2018 will be submitted.

RECOMMENDATION

Staff recommends accepting the summary of completed January – June time period audits/projects report and approving the July - December 2017 Internal Audit Plan.

Cumberland County Internal Audit
 Audit Tasks Completed
 January – June 2017

Audit/Project	Department
Physical inventories	Central Maintenance Facility (CMF) Solid Waste garage Employee Pharmacy Health Department Pharmacy Health Department supply room
Balance inventory accounts	Central Maintenance Facility (CMF) Solid Waste
Cash counts	Sample of 15 petty cash or change funds
Review of procedures for Inmate Trust Fund And Inmate Welfare Fund	Detention Center Finance Division
Sales tax distribution expenses	Board of Education
Expenditure of County funds	Sample of 6 community agencies & 3 volunteer fire departments
Special Review	Health Department

Cumberland County Internal Audit
 Audit Plan
 July – December 2017

Audit/Project	Department
Physical inventories	Central Maintenance Facility (CMF) Solid Waste garage Employee Pharmacy Health Department Pharmacy Health Department supply room
Inventory account reconciliations	CMF Solid Waste Employee Pharmacy
Bank accounts	Sheriff – Detention Center Social Services
Cash counts	Sample of depts with petty cash or change funds
Expenditure of County funds	Sample of community agencies & volunteer fire departments
Schedule of Federal & State Expenditures	For FY 2016-17 audit
Single Audit with Cherry Bekaert, CPA firm	For FY 2016-17 audit (Aug 2017 –Oct 2017)
Review of CMF Inventory system	Central Maintenance Facility (CMF)
Purchase Card Review	Finance



ITEM NO. 3

CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

ENGINEERING & INFRASTRUCTURE DEPARTMENT

Engineering Division · Facilities Management Division · Landscaping & Grounds Division · Public Utilities Division

MEMO FOR THE AGENDA OF THE
JUNE 8, 2017 MEETING OF THE FINANCE COMMITTEE

TO: FINANCE COMMITTEE MEMBERS

FROM: JEFFERY P. BROWN, PE, E & I DIRECTOR

THROUGH: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER

DATE: JUNE 1, 2017

SUBJECT: CONSIDERATION OF APPROVAL OF ENGINEERING SERVICES CONTRACT FOR SOLID WASTE MANAGEMENT

Requested by: JEFFERY P. BROWN, PE, E & I DIRECTOR

Presenter(s): JEFFERY P. BROWN, PE, E & I DIRECTOR

Estimate of Committee Time Needed: 10 MINUTES

BACKGROUND:

The Solid Waste Management Department has been utilizing the engineering services of CDM Smith for the last 20+ years. The Solid Waste Management Director along with the Engineering & Infrastructure Director felt it would be in the County's best interest to develop a Request for Qualifications (RFQ) for solid waste engineering services for FY 2018. After development of the RFQ, the Purchasing Division of the Cumberland County Finance Department advertised the RFQ in late December 2016 with submittals being due on February 3, 2017.

Seven consulting firms submitted their qualifications for review. The qualification packets were reviewed and rated by staff from Solid Waste Management along with Engineering & Infrastructure. Of the seven firms, only one firm had a local presence in Cumberland County. However, most personnel that would be utilized for the services needed by Solid Waste Management are in Virginia. Interviews were conducted with the four highest rated firms in mid-March with staff from both Solid Waste Management and Engineering & Infrastructure. Following the interview process, staff selected the most qualified firm and began discussions about scope of services and fees.

County staff has selected SCS Engineers as the most qualified firm to utilize for engineering services related to the Solid Waste Department. SCS Engineers is a national leader in the solid waste industry and has offices throughout the United States. Cumberland County will be served primarily out of the Raleigh and Charlotte offices. SCS Engineers provides similar services to other counties in North Carolina as well as across the country.

The Finance Committee is being asked to approve the attached Master Services Agreement between SCS Engineers and Cumberland County for professional services related to solid waste. As services are needed, the County would complete a work order outlining the scope of services to be completed by SCS Engineers. The Solid Waste Director has already developed a work order outlining services that SCS Engineers would need to provide Cumberland County for FY 18. This document is also attached. The proposed fees for the scope of services outlined in Work Order #1 is \$188,100. If additional tasks are identified throughout the year which would require the services of SCS Engineers, then the County would define the scope of services and request a price proposal from SCS Engineers.

RECOMMENDATION/PROPOSED ACTION:

The Solid Waste Management Director, Engineering & Infrastructure Director and County Management recommend that the Finance Committee approve the following recommendations and forward them to the Board of Commissioners for its consideration at their June 19th meeting.

1. Approve the Master Services Agreement between SCS Engineers and Cumberland County for professional services related to Solid Waste.
2. Approve Work Order #1 in the amount of \$188,100 for the services outlined in the document.

**MASTER SERVICES AGREEMENT
BETWEEN SCS ENGINEERS AND CLIENT
FOR PROFESSIONAL SERVICES**

THIS MASTER SERVICES AGREEMENT (hereafter "Agreement") is made by and between _____
_____ **Cumberland County Solid Waste Management** _____ (hereafter "Client"), and SCS Engineers (hereafter "SCS").

WHEREAS, the Client intends to engage SCS from time to time to perform professional services as specified in Work Orders issued under and attached hereto, the parties hereby agree as follows:

ARTICLE 1 – SCOPE OF SERVICES. SCS shall provide professional services (hereafter "Services") for a project (hereafter "Project") as set forth in a Work Order in accordance with the terms and conditions of this Agreement. Client may request SCS to submit a proposed Work Order. Client shall indicate its approval of Work Orders by signing and returning one copy to SCS. See Attachment A for the Work Order form. Unless expressly stated therein, the scope of work does not include testimony or responding to subpoenas. In the event SCS receives a subpoena or other legal order for the production of project records or testimony, the client agrees to pay for all time and expenses of SCS related thereto.

ARTICLE 2 – RESPONSIBILITIES OF THE CLIENT. Client will:

- 2.1 Provide all criteria and full information as to requirements for each Work Order.
- 2.2 Furnish SCS with data, reports, surveys, and other materials and information required for SCS to perform each Work Order except such of the foregoing as are included in the Services to be provided by SCS.
- 2.3 Acquire all land and rights-of-way as required for the Project.
- 2.4 Provide access to each Project site and make all provisions for SCS to enter upon public and private lands as required for SCS to perform its Services under this Agreement.
- 2.5 Examine all studies, reports, sketches, construction costs, specifications, drawings, proposals and other documents presented by SCS to Client, and promptly render in writing Client's decisions pertaining thereto within a week, or, if a longer time is needed, within a period mutually agreed upon.
- 2.6 Give prompt written notice to SCS whenever Client observes or otherwise becomes aware of any defect in the Services rendered by SCS.
- 2.7 Furnish to SCS, prior to agreement on the Scope of Services for a Work Order, a copy of any design, construction or other standards Client requires SCS to follow in performing Services under this Agreement.
- 2.8 Provide to SCS all budget requirements, if any, applicable to the Services and the Project.

ARTICLE 3 – CHANGES IN THE SERVICES.

- 3.1 Changes may be made to the Services in a Work Order. Client may order additional Services upon the agreement of SCS. Client may delete previously ordered Services.
- 3.2 The provisions of this Agreement, with an equitable adjustment in the SCS compensation and schedule, shall apply to all changes in the Services.
- 3.3 All changes to the Scope of Services in a Work Order shall be made pursuant to a subsequently issued Work Order.

3.4 In the event Client directs SCS to perform changed Services without executing a Work Order, SCS shall be compensated for the changed Services in accordance with SCS' then current standard rates, unless otherwise agreed in writing by the parties.

ARTICLE 4 – SCHEDULE.

4.1 The Parties will mutually agree in each Work Order upon a schedule for performance of the Services.

4.2 SCS will begin performance of the Services upon Client's performance of all such Client responsibilities, as set out in Article 2, which are reasonably required in order for SCS to begin and to perform the Services in accordance with the schedule as set forth in each Work Order.

ARTICLE 5 – COMPENSATION.

5.1 For the Services as set forth in each Work Order, SCS shall be compensated in accordance with the terms set forth in such Work Order.

ARTICLE 6 – PAYMENT. Payment for Services rendered by SCS shall be in accordance with the following:

6.1 Invoices will be submitted by SCS every month and will indicate:

- (a) for time and expenses compensation, the time and expenses incurred during the period.
- (b) for lump-sum compensation, the percentage of work completed during the period.
- (c) for other compensation: _____.

6.2 Client will pay the sum of \$ 0.00 upon execution of this Agreement as a professional retainer. This sum shall be applied as a credit to Client on SCS' final monthly invoice for Services under this Agreement.

6.3 Payments for invoices issued by SCS are due and payable upon receipt.

6.4 Payments due SCS under this Agreement shall be subject to a service charge of one and one-half (1-1/2) percent per month for invoices not paid within thirty (30) days after the date of receipt of invoice.

6.5 If Client does not make timely payments, SCS may suspend performance of the Services on the basis of non-performance on the part of Client. When all amounts due are paid, and adequate assurances of payment are given for all Services which have been rendered but not yet invoiced, as well as all future Services, SCS will continue performance of the Services.

6.6 Client agrees to pay all costs and expenses of SCS, including reasonable attorney fees, arising out of or in connection with collecting amounts for which Client is responsible pursuant to this Agreement

ARTICLE 7 – INSURANCE. SCS shall, during the performance of this Agreement, keep in force Workers' Compensation Insurance, including Employer's Liability Insurance for its employees, and Commercial General Liability Insurance with a combined minimum limit of \$1,000,000 for bodily injury and property damage

ARTICLE 8 – LIMITATION OF LIABILITY.

8.1 This Article 8 states the agreement of the parties with respect to allocation of the risks inherent in the type of projects undertaken herein. The parties agree that the total liability of SCS under this Agreement and for each Work Order shall be limited to \$1,000,000.

8.2 If Client desires that SCS assume more of the risk under this Agreement for a Work Order than is specified in Article 8.1, and is willing to compensate SCS for the greater assumption of risk, then in consideration of Client paying a surcharge (in addition to the compensation specified in a Work Order, which surcharge shall be separately identified on such

Work Order, SCS' total liability for such Work Order shall be limited to the amount covered, if any, by SCS' liability insurance then in effect, plus the agreed upon increase indicated in such Work Order.

ARTICLE 9 – RELEASE AND INDEMNIFICATION.

9.1 It is understood and agreed that, in seeking the Services of SCS under this Agreement, Client may be requesting SCS to undertake obligations for the Client's benefit involving the presence or potential presence, or release or potential release to the environment, of hazardous substances and other contaminants.

9.2 Except as provided in Article 9.1 above, and to the extent provided in Article 8 above, SCS shall indemnify and hold harmless Client from and against any liabilities, claims, and causes of action which Client may suffer as a result of negligent acts, errors, or omissions on the part of SCS or SCS' agents, employees or subcontractors in the performance of this Agreement, excepting such liability as may arise out of Client's negligence.

ARTICLE 10 – GENERAL PROVISIONS.

10.1 SCS will perform its Services hereunder as specified in Work Orders, in a timely manner. SCS is not responsible for delays occasioned by factors beyond its control, nor by factors which could not reasonably have been foreseen at the time this Agreement was executed.

10.2 SCS shall be entitled to rely on information provided by Client. SCS shall be entitled to an equitable adjustment in the price and schedule if conditions differ materially from information provided by the Client, or differ materially from what reasonably could have been anticipated given the nature of the Services.

10.3 SCS shall perform its Services in accordance with the professional standards applicable to the Services provided (i.e., engineering, planning, consulting, or others) at the time such Services are rendered. SCS makes no other warranty, either expressed or implied, as part of this Agreement.

10.4 SCS shall not disclose, or permit disclosure of any information designated by Client as confidential, except to its employees and other consultants who need such information in order to properly execute the Services of this Agreement. This provision shall not apply to information which: (1) has been published and is in the public domain, (2) has been provided to SCS by third parties who have the legal right to possess and disclose the information, (3) was in the possession of SCS prior to the disclosure of such information to SCS by Client, (4) is required by law or any governmental agency to be disclosed or (5) would require disclosure to comply with the ethical obligations of SCS to protect the public.

10.5 Statements made by SCS concerning probable construction costs and detailed cost projections represent SCS' judgment with respect thereto. It is recognized, however, that SCS has no control over actual site conditions, the cost of labor, materials, or equipment, a contractor's methods of determining bid prices, or over competitive bidding or market conditions. Accordingly, SCS cannot and does not represent or guarantee that bids or ultimate Project costs will not vary from any statement of probable construction cost or other cost projection prepared by SCS.

10.6 All drawings, specifications, reports, notes and data developed pursuant to this Agreement are instruments of service, and as such the original documents, are and remain the property of SCS.

10.7 If construction at a site is to be performed by a person other than SCS, Client agrees to require such person to assume sole and complete responsibility for job site conditions during the course of construction, including safety of all persons and property. SCS shall have no responsibility for site health and safety for anyone other than its own employees, unless SCS expressly has agreed to provide such services and it is included in the Services in a Work Order. Client agrees SCS shall not be responsible for and does hereby release, hold harmless, indemnify and defend SCS from and against all claims, losses, damages, liability and costs, including costs of defense thereof, arising out of or in any way connected with the performance of construction work by persons other than SCS.

10.8 To the extent specifically provided in a Work Order, SCS will be available for advice and consultation, and will monitor on a limited basis construction work performed by persons other than SCS. SCS accepts no responsibility and makes no warranty whatsoever that construction work performed by other persons meets the design specifications (this being the sole responsibility of Client) unless the Scope of Services in a Work Order provides specifically for SCS to assume such

responsibility. In no event shall SCS be responsible for the means, method or manner of performance of any persons other than SCS or its subcontractors.

10.9 At no time shall title to hazardous substances, solid wastes, petroleum contaminated soils or other regulated substances pass to SCS, nor shall any provision of this Agreement or any Work Order be interpreted to permit or obligate SCS to assume the status of a "generator," "owner," "operator," "transporter," "arranger," or "treatment, storage or disposal facility" under state or federal law.

10.10 Unless specifically required under a Work Order, SCS will not be responsible for any permit fees required with respect to the Project.

ARTICLE 11 – TERM AND TERMINATION OF AGREEMENT.

11.1 This Agreement shall be in effect for a one-year term. The term of the Agreement automatically shall be extended by subsequent one-year terms unless a party provides written notice of termination no less than thirty (30) days prior to expiration of the term. SCS shall complete all Services ordered prior to the expiration of this Agreement in accordance with the applicable schedule set forth in each Work Order.

11.2 This Agreement or any Work Order issued pursuant to this Agreement may be terminated by either party upon thirty (30) days written notice to the other party without cause; by mutual written agreement of the parties; or by either party upon five (5) days written notice to the other in the event of continuing substantial failure to perform in accordance with the terms hereof by the other party through no fault of the terminating party. If this Agreement or any Work Order is terminated, SCS shall be paid for all Services performed by SCS prior to the effective date of termination. The indemnities of Article 9 and Article 10 shall survive any termination of this Agreement.

ARTICLE 12 – DELEGATION OF DUTIES; ASSIGNMENT; SUCCESSORS. Neither party shall delegate its duties under this Agreement without the written consent of the other party. Each party binds itself to the successors, administrators and assigns of the other party in respect of all covenants of this Agreement.

ARTICLE 13 – EXTENT OF AGREEMENT. This Agreement represents the entire and integrated agreement between Client and SCS and supersedes all prior negotiations, representations, or agreements, either written or oral, for this Project. In the event any provision of this Agreement is determined to be invalid, the remaining provisions of this Agreement shall continue in full force and effect.

ARTICLE 14 – PARTIES TO AGREEMENT. For the purposes of this Agreement, the term "SCS Engineers" shall mean SCS Engineers P.C. for projects in New York and North Carolina, and Stearns, Conrad and Schmidt Consulting Engineers, Inc. for all other projects.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the last date written below.

CLIENT:

SCS ENGINEERS:

SIGN: _____

SIGN: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

SCS Project No. _____

ATTACHMENT A

**WORK ORDER PURSUANT TO MASTER SERVICES AGREEMENT
BETWEEN SCS AND CLIENT FOR PROFESSIONAL SERVICES**

WORK ORDER NUMBER 1

1. SCOPE OF SERVICES TO BE PERFORMED: See Proposal dated May 25, 2017.

2. WORK ORDER SCHEDULE: See Proposal dated May 25, 2017

3. COMPENSATION: Compensation shall be in accordance with either 3.1., 3.2 or 3.3 as indicated below. Any work added to the Scope of Services to be Performed shall be compensated at SCS' standard fee schedule in effect at the time of performance, unless otherwise agreed, subject to the terms and conditions of the Master Services Agreement between the parties.

3.1 SCS will be compensated for time and expenses in accordance with SCS' standard rates in effect at the time of performance, provided that total compensation will not exceed \$188,100 without the authorization of Client.

3.2 SCS will be compensated in the lump sum amount of \$ _____.

3.3 Other: SCS will be compensated as follows:

4. AGREEMENT BY THE PARTIES: The parties have caused this Work Order to be executed by their duly authorized representatives.

SCS ENGINEERS:

CLIENT: Cumberland County

By: _____

By: _____

Print name: Steven C. Lamb

Print Name: _____

Title: Vice President

Title: _____

Date: _____

Date: _____

SCS ENGINEERS, PC

May 25, 2017
File No. 020056217

Mr. Jerod Roberts
Director of Solid Waste
Cumberland County
698 Ann Street
Fayetteville, North Carolina 28301

Subject: Solid Waste Engineering Work Order and Fee Estimate
Cumberland County Landfill

Dear Mr. Roberts:

SCS Engineers is pleased to provide the attached Work Order and Fee Estimate to provide professional engineering and compliance support services to Cumberland County's solid waste department. Our scope of work assignments and assumptions are based on our current understanding of your facility and permits, and our experience with similar projects.

SCOPE OF WORK

Our scope is broken into three primary categories:

- Air Quality Compliance
- Solid Waste Compliance
- General Consulting and Support Services

Task 1 – Air Quality Compliance

The Ann Street Landfill has a Title V Air Quality Permit (#08846T08). Task 1 covers the air compliance assignments at the Ann Street Landfill. These assignments include Title V/NSPS/SMM reporting, landfill gas wellhead data review, greenhouse gas reporting, surface emissions monitoring, and general support services.

These assignments and our estimated fee are listed below in Table 1.



TABLE 1. AIR QUALITY COMPLIANCE

Assignment	Fee
Annual Compliance Certification	\$3,400
Semi Annual Reports	\$6,400
Emission Inventories	\$3,800
Greenhouse Gas Report	\$3,100
Surface Emissions Sweeps	\$8,400
Monthly Meetings and Review of DTE's data ¹	\$20,700
General Air Compliance Consulting ²	\$10,000
Total	\$55,800

1. Assumes 4 meetings at the site and 8 monthly conference calls with DTE's field technician.
2. Includes preparation of Quarterly Deviation Reports (if needed), addressing the current NOV, alternative timelines, and other CAA and NSPS needs.

Task 2 – Solid Waste Compliance

Routine solid waste compliance assignments consist of groundwater monitoring, NPDES stormwater monitoring, and leachate monitoring. Groundwater and NPDES stormwater monitoring is performed on a semi-annual basis and leachate monitoring is performed on a quarterly basis. Also included in Task 2 is quarterly perimeter gas probe monitoring and airspace/capacity evaluation.

The solid waste routine assignments and our estimated fee are listed below in Table 2.

TABLE 2. SOLID WASTE COMPLIANCE

Assignment	Fee
Semi Annual Groundwater Reports ¹	\$16,500
Quarterly Perimeter Probe Monitoring	\$4,500
Annual C&D and Sub D Airspace Analyses ²	\$2,700
NPDES Stormwater Sampling and Analysis ^{3,4}	\$3,300
Industrial User Permit Sampling and Report ^{4,5}	\$5,300
Total	\$32,300

1. Assumes 5 wells, 3 surface water samples, and 1 leachate sample tested for Appendix I parameters.
2. Assumes aerial surveys are provided by County.
3. Assumes two samples per year.
4. This could be sampled by County personnel, thereby reducing the estimated fee.
5. Quarterly composite sample per IUP#5001N.

Task 3 – General Support Services for Wilkes Road and Ann Street Landfill Facilities

General supports services for both facilities can include a variety of assignments. Some of these types of assignments are listed below:

- Surveying
- Fill grading plans and grade control measures
- Employee training
- Operations support
- Groundwater well and gas probe installation
- Landfill design (roads, slopes, stormwater controls, leachate seep repair)

For purposes of this fee estimate, SCS recommends a budget of \$25,000 for the Wilkes Facility and \$75,000 for the Ann Street Landfill.

CLOSING

SCS appreciates the opportunity to provide this fee estimate and Work Order. We are looking forward to working with you and your staff. If you have any questions or require any additional information, please call me at 704-504-3107 (office) or at 704-576-4731 (cell).

Sincerely,

Albert Glenn, PE
Project Director
SCS ENGINEERS

Steven C. Lamb, PE
Project Director/Vice President
SCS ENGINEERS

Enclosures

AMY H. CANNON
County Manager

SALLY S. SHUTT
Assistant County Manager



CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

MELISSA C. CARDINALI
Assistant County Manager

W. TRACY JACKSON
Assistant County Manager

ITEM NO. 4

OFFICE OF THE COUNTY MANAGER

**MEMO FOR THE AGENDA OF THE JUNE 8, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE MEMBERS
FROM: W. TRACY JACKSON, ASST. COUNTY MANAGER 
THROUGH: AMY H. CANNON, COUNTY MANAGER
DATE: MAY 31, 2017
SUBJECT: CONSIDERATION OF AMENDMENT TO CONTRACT FOR WORKFORCE SERVICES AND AWARD OF ADDITIONAL FUNDING

Presenter(s): Nedra Clayborne Rodriguez, Director of Workforce Development

Estimate of Committee Time Needed: 15 Minutes

BACKGROUND

Cumberland County receives annual funding from the state to provide workforce development services through the Workforce Innovation & Opportunity Act (WIOA). These services are contracted to Rescare Workforce Services who participates as an integrated team-member at the Cumberland County NCWorks Career Center. The Workforce Development Board has reviewed and approved a request for additional funding from Rescare Workforce Services for the remainder of the contract period which ends November 30, 2017. The total amount of additional federal drawdown funds requested is \$1,154,518 and is broken down further into smaller amounts as follows: \$397,140 for Adult services, \$499,682 for Dislocated Worker services, \$193,272 for Out-of-School Youth services, and \$64,424 for In-School Youth services. These funds are necessary to continue the existing services provided by Rescare Workforce Services through the end of the contract period.

RECOMMENDATION/PROPOSED ACTION:

The Workforce Development Board and staff recommend approval of an additional \$1,154,518 to Rescare Workforce Services for all four program areas (i.e., Adult, Dislocated Worker, In-School Youth, and Out-of-School) and to authorize the County Manager to execute the contract amendment.

STATE OF NORTH CAROLINA
COUNTY OF CUMBERLAND

CONTRACT #2017286
AMENDMENT I

THIS CONTRACT AMENDMENT is entered into by and between Cumberland County (County), a body politic and political subdivision of the State of North Carolina established and operating pursuant to the laws of the State of North Carolina (hereinafter referred to as "COUNTY") and the Arbor E & T, LLC d/b/a ResCare Workforce Services (hereinafter referred to as ResCare), a Kentucky Limited Liability Corporation.

WHEREAS, the County and ResCare agree to increase the amount to be paid ResCare by **\$1,154,518** for a total contract price of **\$3,170,047**.

THEREFORE, the County and ResCare agree to amend the contract as follows.

1. Paragraph 3 is amended to state: "The services of ResCare shall commence on December 1, 2016 and ResCare shall provide such services in such a manner and sequence as to ensure their expeditious completion and as may be required in Attachment A. All services required hereunder shall be completed on or before the end of the contract period: November 30, 2017. Contract may be extended for *one additional year* depending upon availability of WIOA funding, and at the discretion of the Workforce Development Board in consultation with the County for the purposes of the statute of limitation, and in recognition of the fact that closeout procedures, audit, audit resolution, and collection of disallowed costs will occur after the contract period, this contract shall not be considered completed until final action on any disallowed costs by USDOL has been taken and the time for appeal of disallowed costs has expired."
2. Paragraph 4.a. is amended to state: "In the case of activities covered by cost reimbursement provisions, ResCare shall be compensated for the work and services to be performed under this contract by monthly reimbursements based on allowable expenditures actually made, unless otherwise specifically agreed to the contrary. For any activities covered by fixed unit price/performance based provisions, ResCare shall be compensated based upon the timely delivery of services included in the Attachment A. In no event, however, will the total compensation and reimbursement, if any, to be paid ResCare under this contract exceed the sum of **three million one hundred seventy thousand forty-seven dollars (\$3,170,047.00)** in WIOA, DWG and NEG funds as described in Attachment B, "Solicitation (RFP No. 17-06-WD(F)), Request for Sector Partnership National Emergency Grant, Request for Dislocated Workers Grant and ResCare's Proposal and Offer to Contract signed November 29, 2016 by Michael B. Hough."
3. Paragraph 33 is amended to state: "The contracting period shall be as stated in paragraph 3 (Time of Performance). As stated, the County shall have the option of extending this contract for *one additional year*."
4. Paragraph 38 is amended to state: "Cumberland County Workforce Development Board, c/o of *Nedra Clayborne Rodriguez*, 410 Ray Avenue, Fayetteville, North Carolina 28301"

Signature – Amy H. Cannon

Signature – Michael Hough

Date: XX/XX/2017

Date: XX/XX/2017

This the XXth day of June, 2017

APPROVED FOR LEGAL
SUFFICIENCY

THIS INSTRUMENT HAS BEEN PRE-AUDITED
IN THE MANNER REQUIRED BY THE LOCAL
GOVERNMENT BUDGET AND FISCAL
CONTROL ACT.

BY:

COUNTY ATTORNEY'S OFFICE

**CONTRACT FOR SERVICES FOR THE
ADULT, DISLOCATED WORKER AND YOUTH PROGRAMS UNDER TITLE I OF
THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)**

THIS CONTRACT AGREEMENT is entered into by and between Cumberland County (County), a body politic and political subdivision of the State of North Carolina established and operating pursuant to the laws of the State of North Carolina (hereinafter referred to as "COUNTY") and the Arbor E & T, LLC d/b/a ResCare Workforce Services (hereinafter referred to as ResCare), a Kentucky Limited Liability Corporation.

WITNESSETH THAT:

WHEREAS, the County desires to engage ResCare to render certain services in connection with activities to be operated and funded under Title I of the Workforce Innovation and Opportunity Act Public Law No: 113-128 (herein after referred to as the "Act"), WIOA DOL ETA 20 CFR, Part 676, 677, and 678; and,

WHEREAS, WIOA, Dislocated Worker Grant (DWG) and National Emergency Grant (NEG) funds are anticipated to be made available to the County and the Cumberland County Workforce Development Board from the Division of Workforce Solutions of the North Carolina Department of Commerce (hereinafter referred to as the "State") contingent upon receipt of funds from the United States Department of Labor (herein after referred to as "USDOL") and/or the State;

AND WHEREAS, ResCare desires to render services under the Act,

NOW THEREFORE, the parties hereto agree as follows:

1. Employment of ResCare

The County hereby engages ResCare and ResCare hereby agrees to perform the services hereinafter set forth in accordance with the terms and conditions contained herein.

2. Scope of Services

ResCare shall diligently perform and carry out in a satisfactory and proper manner the work and services described in Attachment A, "Statement of Work".

3. Time of Performance

The services of ResCare shall commence on December 1, 2016 and ResCare shall provide such services in such manner and sequence as to ensure their expeditious completion and as may be required in Attachment A. All services required hereunder shall be completed on or before the end of the contract period: June 30, 2017. Contract may be extended for two additional one-year periods, depending upon availability of WIOA funding, and at the discretion of the Workforce Development Board in consultation with the County. For the purposes of the statute of limitation, and in recognition of the fact that closeout procedures, audit, audit resolution, and collection of disallowed costs will occur after the contract period, this contract shall not be considered completed until final action on any disallowed costs by USDOL has been taken and the time for appeal of disallowed

costs has expired.

4. Compensation and Method of Payment

- a. In the case of activities covered by cost reimbursement provisions, ResCare shall be compensated for the work and services to be performed under this contract by monthly reimbursements based on allowable expenditures actually made, unless otherwise specifically agreed to the contrary. For any activities covered by fixed unit price/performance based provisions, ResCare shall be compensated based upon the timely delivery of services included in Attachment A. In no event, however, will the total compensation and reimbursement, if any, to be paid ResCare under this contract exceed the sum of two million fifteen thousand five hundred twenty nine dollars (\$2,015,529) in WIOA, DWG and NEG funds as described in Attachment B, "Solicitation (RFP No. 17-06-WD (F)), Request for Sector Partnership National Emergency Grant, Request for Dislocated Workers Grant and ResCare's Proposal and offer to contract signed on November 29, 2016 by Michael B. Hough. Provided further, ResCare acknowledges that the County and the Cumberland County Workforce Development Board are receiving monies to fund WIOA, DWG and NEG activities on behalf of the State of North Carolina and the United States Department of Labor and that the County's obligations to pay any funds is conditional upon receipt of such funds. The County may impose restrictions upon the maintenance of excess cash by the contractor consistent with the restrictions placed upon the County by the State and the United States Treasury Department.
- b. ResCare, using funds available pursuant to this contract, shall be fully responsible for the WIOA Adult, Dislocated Workers and Youth Programs as provided for in the Statement of Work attached hereto as Attachment A and hereby incorporated by reference as is fully set forth herein.
- c. ResCare shall be entitled to an "Administrative Fee" not to exceed ten percent (10%) of the total contract amount. This Administrative Fee shall be paid to ResCare in equal monthly installments.

5. Approval of Subcontract or Assignability

ResCare shall not assign all or any portion of its interests in this contract, nor shall any of the work or services to be performed under this contract by ResCare be subcontracted, without the prior written approval of the Workforce Development Board in consultation with the County.

6. County as Contract Administrator

- a. The County and Cumberland County Workforce Development Board staff shall

perform the administrative, enforcement, evaluation, coordination of work, and monitoring of this contract as agents of the County. However, ResCare shall be fully responsible for its compliance with this contract and all laws, rules, regulations, and guidance applicable to the use of WIOA, DWG and NEG funds and ResCare shall not be entitled to rely on County or the Cumberland County Workforce Development Board for such compliance issues.

- b. All notices, reports and other information including a monthly financial status report shall be forwarded to the Cumberland County Workforce Development Board, c/o, Jim Lott, 410 Ray Avenue, Fayetteville, North Carolina 28301, with an electronic copy being sent via e-mail to jlott@co.cumberland.nc.us with a copy of said electronic reports sent to nrodriguez@co.cumberland.nc.us.

7. The County has the right to monitor program, fiscal, personnel and management activities under this contract to assure that performance goals are being met, that appropriate administrative procedures, controls and records are maintained, that Contract terms and conditions are being fulfilled and that personnel and equal employment opportunity requirements are being met. ResCare for itself and for its sub-recipients does hereby authorize and agree to permit on-site visits by the County, Workforce Development Board, State, USDOL or their designees, private questioning of employees and participants, and access for review or copying of ResCare or sub-recipient records of all programs. ResCare shall attend and shall require its sub-recipients to attend such meetings as requested by the County regarding the monitoring or evaluation of programs.

The County may provide technical assistance to ResCare and its sub-recipients through periodic discussions and training sessions as the County deems necessary. Notwithstanding any such assistance provided by the County, ResCare shall be fully responsible for complying with all applicable laws and regulations.

The County may provide ResCare with written notification of deficiencies discovered in review of its activities and will endeavor to provide ResCare with reasonable time to take corrective action regarding deficiencies.

The failure of the County or the Workforce Development Board staff to discover or notify ResCare in writing of deficiencies does not relieve ResCare of its obligation to meet performance standards, maintain sound administrative and fiscal management, assure equitable personnel policies and non-discrimination, and satisfy statutory, regulatory and contractual requirements.

8. Notification of Fraud or Abuse

ResCare shall immediately notify the County in writing of any charges or allegations of criminal misconduct, fraud, negligence, or other wrongdoing in connection with the program or any administering agency.

9. Maintenance of Records

ResCare shall maintain all fiscal and program records for periods required by federal regulations, but in no event no less than three (3) years from the completion of obligations under this contract. Should audit proceedings be instituted concerning this contract, ResCare shall not destroy any records thereof until it is notified in writing that all audits are complete and such records are no longer needed. The County, State, USDOL, and Comptroller General of the United States, or any of their designees shall have access to all records of any type of ResCare or its sub-recipient with regard to funded activities.

10. Property

- a. ResCare acknowledges that all non-expendable property, that is, property with a useful life of more than one year and a unit cost of \$500 or more, purchased with funds received under this contract or made available to ResCare by the County or the State specifically for a WIOA, DWG or NEG funded activity, is the sole property of the State. The County may reclaim or relocate non-expendable property hereunder at its discretion, subject to state and federal law. ResCare, however, may not transfer, relocate or alter the use of any property hereunder without the prior written authorization of the County. ResCare shall report any non-WIOA use of non-expendable property to the County.
- b. ResCare is responsible for the proper identification, inventory and maintenance of all property under its control. ResCare shall complete and submit to the County an annual inventory listing, clearly identifying WIOA Property. ResCare shall permit on-site inspections of all property by the County, State, USDOL, or their designees. ResCare shall adhere to all property policy issuances from the County and the State.
- c. ResCare shall procure the prior written approval of the County to initiate any action involving acquisition by purchase, lease or trade, transfer, or change of the designated use or disposition of non-expendable property. ResCare shall not be entitled to recover the costs of acquisition or transfer if such prior written approval is not obtained.
- d. ResCare shall not acquire real property with funds under this Contract without written agreement by the County.
- e. ResCare expressly assigns to the State any right it may acquire by operation of law or otherwise in any property under this Contract. If intangible property on which a patent or copyright is obtainable or is developed with funds acquired under this contract, ResCare acknowledges and agrees to procure the acknowledgment of its sub-recipients that the property is considered work for hire funded by the State, and the State has ownership of such works unless specifically waived in writing by the Division of Workforce Solutions.
- f. On completion of the services under this Contract or upon earlier termination of

this Contract, all non-expendable property and all expendable property covered by federal regulations shall be situated, transferred or disposed of according to instructions by the State.

11. Reporting Requirements

In the case of cost reimbursement activities, ResCare shall furnish the County with a monthly financial status report in a format designated by the County. Such reports shall be furnished not later than ten (10) days following the end of each month. Such reports shall consist of summary information taken from ResCare records. In addition, the County, State, and USDOL may require ad hoc reports related to program management.

12. Supportive Services, PELL Grant Payments, Other Financial Assistance

- a. Supportive Services provided by ResCare under this contract to participants shall not duplicate services provided by a public or private source(s), which are available at no cost to ResCare and/or participants. Additionally, ResCare is responsible for documenting a participant's receipt of all financial aid awards and maintaining such documentation. If other financial aid is received, adjustments to the cost of tuition and books paid through this contract shall be made accordingly.
- b. ResCare shall adhere to all Federal, State, and County mandated requirements regarding use of PELL grant funds in conjunction with WIOA funds.

13. Accounting

- a. ResCare shall maintain complete accounting records sufficient to document receipts and expenditures of WIOA funds under this contract. For cost reimbursement activities, ResCare shall account separately for the expenses of each activity by cost category as described in the budget herein as Attachment B. For fixed unit price/performance based activities, ResCare shall submit the appropriate documentation as detailed in Attachment A "Statement of Work" for the amount described in the budget included as Attachment B. Program income must be accounted for, reported to the County by the appropriate program year fund allocation, and used during the contract period to offset the cost of the services provided or such additional income shall be forwarded to the County. Interest income on cash advances of sub-grant funds shall also be accounted for as additional program income and reported accordingly.
- b. All accounting records should be maintained in accordance with the NC Local Government Budget and Fiscal Control Act, CLA Memoranda, State Issuances, OMB Circulars and administrative provisions, implementing regulations, and Generally Accepted Accounting Principles.

14. Rights in Documents, Materials, and Data Produced

ResCare agrees that all reports and other data prepared by and for it under the terms of this contract shall be delivered to, become, and remain the property of the County or its assigned designee upon termination or completion of the work. Both the County and ResCare shall have the right to use it without restriction or limitation and without compensation to one another. For the purposes of this contract, "data" includes writings, sound recordings, or other graphic representations, and works of similar nature. No reports of the documents produced in whole or in part under this contract shall be the subject of an application for copyright by or on behalf of ResCare.

15. Interest of ResCare

ResCare covenants that neither ResCare nor its agents or employees presently has an interest, nor shall acquire an interest, direct or indirect, which conflicts in any manner or degree with the performance of its service hereunder, or which would prevent, or tend to prevent, the satisfactory performance of ResCare's service hereunder in an impartial and unbiased manner. ResCare further covenants that in the performance of this contract, no person having any such interest shall be employed by ResCare as an agent, subcontractor, or otherwise.

16. Interest of Members of the Council and Others

No officer, member or employee of the County, Cumberland County Workforce Development Board, and/or no public official of any local government which is affected in any way by the WIOA activities, shall participate in any decisions relating to this contract which affects his/her personal interest or in the interest of any corporation, partnerships, or association in which s/he is, directly or indirectly, interested; nor shall any such person have any interest, direct or indirect, in this contract or the proceeds arising there from.

17. Drug Free Workplace

ResCare shall comply with Government Code Section 8355 in matters relating to providing a drug free workplace. ResCare shall notify its employees that it is unlawful to manufacture, distribute, dispense, possess, or use a controlled substance that is prohibited in the workplace(s) and specify actions that will be taken against an employee or employees found in violation of such policy. ResCare shall establish a Drug Free Awareness Program as required by Government Code Section 8355(b) to inform employees of the dangers of drug abuse in the workplace, ResCare's policy of maintaining a drug free workplace and any available counseling, rehabilitation, and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations.

ResCare shall provide every employee who provides services pursuant to this contract a copy of ResCare's drug free policy and every such employee shall agree to comply with the terms of said drug free policy as a condition of employment.

18. Lobbying Certification and Disclosure Requirements

ResCare, as a recipient of Federal contracts, grants, and loans, is prohibited from using appropriated funds to lobby the Executive or Legislative Branches of the Federal Government in connection with a specific contract, grant, or loan, in accordance with USDOL codified common rule 29 CFR Part 93. ResCare must file a disclosure report if lobbying activity, using other than Federal appropriated funds, has occurred for the covered action.

ResCare shall complete and submit to the County a "Certification Regarding Lobbying" document if the total compensation to be paid to ResCare under paragraph 4 (Compensation and Method of Payment) of the contract exceeds \$100,000. The certification should be made available for review during oversight reviews and audits.

ResCare shall complete and submit to the County a "Disclosure Form to Report Lobbying" if the total compensation to be paid to ResCare under this contract exceeds \$100,000 and ResCare uses non-Federal funds to lobby for the covered Federal action.

Additionally, provisions should be made to prohibit the use of funds for (1) employment generating activities, economic development activities and similar activities that are not directly related to training for eligible individuals, and (2) foreign travel.

19. Non-procurement Debarment and Suspension Requirements

ResCare, as a recipient of Federal contracts, grants, and loans, is prohibited from doing non-procurement business with any person suspended or barred by any other Federal agency, in accordance with USDOL codified common rule 29 CFR Part 98. Non-procurement business includes grants, cooperative agreements, scholarships, fellowships, contracts of assistance, loans, loan guarantees, subsidies, insurance, payments for specified use, donation agreement and any other non-procurement transactions between a Federally-funded agency and a "person". A person is any individual, corporations, partnership, association, and unit of government or legal entity.

ResCare certifies, by signing this contract, that neither it nor its principals are

presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this contract by Federal department of agency. Where ResCare is unable to certify to any of the aforementioned certification statements, ResCare shall submit to the County a written explanation with this contract.

20. Officials Not to Benefit

No member of or delegate to the Congress of the United States of America, resident commissioner, or employee of the United States Government shall be entitled to any share or part of this contract or any benefits arising hereunder.

21. Location of Services

ResCare shall co-locate its employees providing services pursuant to this contract at a location designated by the County. It is the intent of the County that said employees shall be co-located with employees of the Cumberland County Workforce Development Board and the Cumberland County NCWorks Career Center (to include employees of the North Carolina Department of Commerce's Divisions of Workforce Solutions and Services).

22. Maintenance of Effort

ResCare sponsored training in existence prior to the initiation of this contract shall be continued and may not be reduced in any way as a result of this contract (except for reduction unrelated to the provisions or purposes of this contract). ResCare agrees that implementation of this contract will not result in the displacement of employed workers or impair existing contracts for services or result in the substitution of Federal or other funds in connection with work that would otherwise be performed.

23. Equal Employment Opportunity

- a. ResCare shall not discriminate, as prescribed in WIOA or as prohibited under state law, against any employee, applicant for employment, applicant for WIOA activities, WIOA participant, or subcontractor because of race, color, disability, religion, age, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs, or termination; rates of pay, or other forms of compensation; selection for training including apprenticeship; participation in recreational and educational activities; or any WIOA activities. ResCare certifies that it presently has in effect such an affirmative action program. ResCare agrees to post in a conspicuous place available to employees and applicants for employment notices setting forth the provisions of this non-discrimination

- clause. ResCare shall in all solicitations or advertisements for subcontractors or employees placed by or on behalf of ResCare, state that ResCare is an "Equal Opportunity Employer".
- b. ResCare shall keep such records and submit such reports concerning characteristics of applicants for employment and employees as the County, State, and USDOL may require.
 - c. ResCare agrees to comply with such guidelines as the County, State, or USDOL may issue to implement the requirements of WIOA.
 - d. ResCare shall designate a person other than its chief executive as its equal employment opportunity officer, who shall be responsible for ResCare's non-discrimination policy, monitoring the equal employment opportunity compliance, development of a procedure for investigation of hearings on equal employment opportunity grievances, dissemination of non-discrimination policy for ResCare, and evaluation of ResCare's proposal for adverse EEO effects and liaison with the County.

24. Non-Discrimination

The County is committed to promoting equal opportunities for all and to eliminating prohibited discrimination in all forms. For purposes of this section, prohibited discrimination means discrimination in the solicitations, selection, and/or treatment of any subcontractor, vendor, supplier, or commercial customer on the basis of race, ethnicity, gender, age, religion, national origin, disability, or other unlawful form of discrimination. Without limiting the foregoing, prohibited discrimination also includes retaliating against any person, business, or other entity for reporting any incident of prohibited discrimination. It is understood and agreed that not only is prohibited discrimination improper for legal and moral reasons, prohibited discrimination is also an anti-competitive practice that tends to increase the costs of goods and services to the County and others. As a condition of entering into this Agreement, ResCare represents, warrants, and agrees that it does not and will not engage in or condone prohibited discrimination. Without limiting any rights to the County may have at law or under any other provision of this Agreement, it is understood and agreed that a violation of this provision constitutes grounds for the County to terminate this Agreement.

As a condition of entering into this Agreement, ResCare further agrees to promptly provide to the County all information and documentation that may be required by the County from time to time regarding the solicitation and selection of subcontractors. Failure to maintain or failure to provide such information constitutes grounds for the County to terminate or withhold payment under this Agreement.

25. Nepotism

ResCare agrees for itself and its subcontractors that no two members of an immediate family shall be employed within the same agency if such employment will result in one supervising a member of his/her immediate family, or in one occupying a position which has influence over the other's employment, promotion, salary administration, and other related management or personnel considerations. Immediate family is described as wife, husband, mother, father, brother, sister, son, daughter, mother-in-law, father-in-law, daughter-in-law, son-in-law, grandmother, grandfather, grandson, granddaughter, stepmother, or stepfather. This section shall also apply to governing boards for contractors, ResCare staff, and subcontractor staff involved in WIOA activities.

26. Complaints and Hearings

- a. ResCare shall have a complaint and hearing procedure for complaints and grievances by its employees, participants, and other persons. The procedure may involve investigations by ResCare and shall result in an impartial hearing within 30 days and a written decision in 60 days after receipt of the formal complaint.
- b. The County shall have a complaint and hearing procedure for complaints and grievances as described in paragraph 26(a). The procedures shall be conducted under and governed by the County policies and/or the North Carolina Administrative Code. As to complaints and appeals governed by this paragraph, the County shall have authority to investigate and make findings, determinations and orders, including orders imposing corrective conditions and ordering sanctions, after the opportunity for a hearing. Where permitted under this contract or by law, sanctions and conditions may be imposed prior to an oral hearing in an emergency situation.
- c. The County may, on its own complaint, initiate an investigation and conduct a hearing on any activity under this contract.
- d. The complaint and hearing procedure hereunder will comply with WIOA, the regulations thereunder, and with state law.
- e. ResCare shall designate a hearing officer and provide each participant with a copy of ResCare's complaint and hearing procedure including the names and addresses of ResCare's hearing officer, and the hearing officer of the County.

27. Protests, Disputes, and Claims

Except as otherwise provided in this contract, any protest, dispute, or claim, concerning a question of fact arising under this contract which is not disposed of by agreement shall be resolved by the County, which shall issue a written determination and mail or otherwise furnish a copy to ResCare. The decision of the County shall be final and conclusive unless, within 30 days from the date of receipt of such copy, ResCare mails or otherwise furnishes to the County a written appeal. The decision of the County shall be final and conclusive unless

determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or as grossly erroneous as to imply bad faith or not to have been supported by substantial evidence. In connection with any appeal proceeding under this clause, ResCare shall be afforded an opportunity to be heard and to offer evidence in support of the appeal. Pending final decision of a dispute, ResCare shall proceed diligently with the performance of the contract and in accordance with the County's decision.

28. Indemnity and Insurance

To the extent permitted by the North Carolina Tort Claims Act (Chapter 143, Article 31 of the North Carolina General Statutes) ResCare shall indemnify and save harmless the County from and against any and all claims, losses, costs, damages, expenses, judgements, or liabilities caused or arising through ResCare's performance of this Agreement including, without limitation, negligent or other wrongful acts or omissions, accidents or other occurrence causing bodily injury, including death, sickness, and disease to any personnel; damage or destruction to property, real or personal, and sexual misconduct by ResCare and its employees and agents.

ResCare shall provide the County written notice, in the form of Certificates of Insurance, for any and all insurance required by the RFP or by law. ResCare shall require its insurers to provide the County written notice of any cancellation or lapse in coverage of said insurance at least 30 days prior to said lapse or cancellation.

29. Audit

ResCare agrees to have completed a fiscal and compliance audit covering the appropriate period of the contract and submit a copy to the County within 30 days after ResCare receives its completed audit but no later than six months from the end of the audit period. An independent firm of Certified Public Accountants or the State Auditor shall perform the audit. The audit of the contract shall include additional statements of WIOA revenues and expenditures as of June 30 when the contractor has a fiscal year other than June 30 and for the entire contract period when it has been performed during more than one fiscal year. WIOA grant funds may be used to pay the costs of such audit. The audit should include at a minimum, an accountant's opinion, a balance sheet, a statement of revenues, expenditures, and fund balance, an opinion letter and a management letter, a Schedule of Federal and State Financial Assistance, Compliance Report, and Internal Control Report. The examination must be made in accordance with Generally Accepted Accounting Practices and the Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the U.S. General Accounting office. ResCare audits will have all findings and

questioned costs (including a note about all payables to and unearned receipts from WIOA) in the Compliance Section of the Audit. Furthermore, to ensure compliance with GS 159-40, non-profit corporations or organizations receiving funds under this contract of \$1000.00 or more and not exempted by Section 1(d) of GS 159-40, are required to file a copy of the independent audit report with the Office of the State Auditor. Also, audits of ResCare performed by the Office of the State Auditor or USDOL directly may satisfy the requirements of this paragraph. The County under state mandate may unilaterally impose additional reasonable conditions on audit activity.

30. Audit Resolution and Disallowed Costs

In the event the County, State, or USDOL disallows any expenditures of funds made by ResCare under this contract, ResCare shall within 10 days reimburse such funds to the County from non-federal funds, after attempted resolution of the disallowed costs under the 120-day Audit Resolution Procedure. The County has adopted the 120-day Audit Resolution Procedure that allows ResCare a 30 day comment period after receipt of the final audit. Within 30 days after the comment period, the County will issue an initial determination stating disallowed costs, then ResCare will have 60 days to produce documentation attesting to the allowed ability of the costs, request a hearing, or otherwise seek a settlement of the disallowed costs. At the end of the 120 days, a final determination will be issued stating all disallowed costs that shall be reimbursed. The County may, in the case of ResCare's default or actions which the County believes are not in good faith by ResCare, withhold future payments under this or any other contract with ResCare or impose other sanctions until the disallowed costs are resolved. If interest on disallowed costs accrues to the County or the State, ResCare shall also be liable for such interest charges.

31. Contract Closeout

Within 30 days from the ending or termination of the contract, ResCare shall submit to the County a final performance report, financial report, closeout document, and a reimbursement for WIOA funds received in excess of final expenditures. Receipt of the closeout documents will complete all transactions under the contract except for property maintenance, audit and audit resolution. No later than the date the final performance report is due, ResCare shall return to the County any and all County property purchased hereunder and any and all unexpended and surplus funds ResCare obtained pursuant to this Contract.

32. Changes

Any changes in the terms of the Agreement must be in writing and signed by both parties to be effective, except if necessitated by unavailability of or reduction in funding.

33. Contracting Period

The contracting period shall be as stated in paragraph 3 (Time of Performance). As stated, the County shall have the option of extending this contract for two additional one-year terms. The County shall give ResCare written notice of its intent to renew, including any additional provisions which the County determines necessary to include in this contract for the renewal period, no less than 60 days prior to the expiration of said period. If the County elects to renew, ResCare shall respond within 30 days of said notice with any requests for exceptions or changes to the original contract terms and any additional provisions provided by the County. If there are no exceptions noted, this contract, including said additional provisions, shall be renewed for the additional term.

34. Termination of the Contract

- a. If through any fault of its own, ResCare shall fail to fulfill in a timely and proper manner its obligations under this contract, or if ResCare shall violate any of the material covenants, agreements, representations or stipulations of this contract, the County shall have the right to terminate this contract by giving written notice to ResCare of such termination and specifying the effective date thereof. In such event, all finished documents and other materials collected or produced under this contract shall, at the option of the County, become its property. ResCare shall be entitled to receive just and equitable compensation for any work performed in accordance with this contract, except for the extent such work must be duplicated in order to complete the contract. Notwithstanding the foregoing, ResCare shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of this contract by ResCare, and the County may withhold payment of any additional sums as security for payment of damages caused by ResCare's breach, until such time as the exact amount of the damages resulting from such breach is determined.
- b. ResCare shall repay to the County within 30 days of termination of the contract any and all cash advances received which exceed actual expenditures for work performed in accordance with this contract. ResCare shall work closely with the County in the liquidation of advances and recovery of unexpended funds.
- c. The County may unilaterally terminate or modify this contract if necessitated by unavailability of or reduction in funding, and/or non-performance by ResCare.
- d. ResCare shall have the right to terminate this contract if the County breaches any of the material covenants, agreements, representations, or stipulations of this contract and has failed to correct such breach within 30 days after receiving written notification from the contractor of the breach. Upon termination, the

County shall not be relieved of its duty to pay ResCare for services performed in accordance with the contract and prior to the effective date of termination.

35. Incorporated Documents and Definitions

a. Documents Included in the Contract

The following documents are hereby made a part of this Contract by reference, and compliance with the applicable provisions of the documents is a condition of this Contract: the Workforce Innovation and Opportunity Act (WIOA), WIOA Final Rules, DOL ETA 20 CFR, Part 676, 677, and 678, and the regulations promulgated thereunder; other applicable federal laws, regulations, orders, circulars and issuances; applicable state laws, regulations, instructions and issuances; Attachment A, "Statement of Work"; Attachment B, "Budget"; Solicitation (RFP 17-06-WD(F)) and ResCare's Proposal and Offer to Contract.

b. Definitions Incorporated in the Contract

All definitions included in WIOA and the regulations promulgated under WIOA, in other applicable federal statutes, regulations, circulars and directives, and in applicable sections of the North Carolina General Statutes and the North Carolina Administrative Code are incorporated herein by reference, whether defined at the time of this agreement or at any time during the period of the agreement.

c. Special Definitions

Whenever WIOA and the regulations promulgated thereunder permit or require the Governor or the State to define certain words or phrases, or whenever the State or County determines that a definition is necessary, the State or County may define such words or phrases by issuance, rule, directive, bulletin or instruction, and such definitions shall be incorporated herein by reference.

d. Changes in Incorporated Documents and Definitions

- i. The parties are bound by any change in federal and state law that occurs subsequent to the Contract. ResCare shall notify the County of any budget transfers or adjustments made to Attachment B.
- ii. If the cumulative amount of all transfers to and from that budget line item equals or exceeds five percent (5%) of the original amount as stated in Attachment B, no transfer or adjustment to that line item may be made without the written consent of the County. All budget transfer requests must include a brief explanation letter and a revised Attachment B prior to the County issuing written approval.

36. Severability: Discretion of the County; Open Meetings Law

In the event any provision of this Contract shall be considered unlawful or without effect, it shall be considered severable and shall not affect the remainder

of the Contract.

The County shall have the power and discretion to enforce any provision of this contract and to select from among its remedies under this Contract and at law. The failure of the County to enforce a provision shall not constitute waiver of the provision or the Contract.

No action taken by ResCare or its sub-recipients in violation of any applicable provision of the state open meetings law shall be valid.

37. Force Majeure

The performance of this Contract may be delayed and/or suspended by any act of God, war, civil disorder, employment strike, hazardous or harmful condition, any alleged criminal or reckless act not caused by ResCare, its employees, agents, and subcontractors, or other cause beyond the control of either party ("Force Majeure Event"). Should performance under this Contract be delayed and/or suspended due to any Force Majeure Event, neither party shall be held liable for any default, damage, and/or breach of contract resulting therefrom.

38. Notices

Written notices required by this Contract shall be directed to the following representatives:

Cumberland County Workforce Development Board
C/o Jim Lott
410 Ray Avenue
Fayetteville, North Carolina 28301

Arbor E&T, LLC, d/b/a ResCare
Chief Legal Officer
9901 Linn Station Road
Louisville, Kentucky 40223

Or to such other persons and such other addresses as one of the above parties may designate in writing.

39. Order of Precedence of Attachments

In the event of a conflict between this Contract and its attachments, this Contract shall have precedence over all attachments. Attachment B shall have precedence over Attachment A.

40. Entire Contract

This is the entire agreement between the parties and there are no terms or conditions relative to this matter except those specifically set forth herein; and time of completion and performance is of the essence in this contract.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by its designated officials pursuant to the policies and procedures of their respective governing bodies, as of the day and year first above written.

County of Cumberland

Arbor E&T, LLC, d/b/a
ResCare Workforce Services

Amy Cannon
Amy H. Cannon
County Manager

Michael Hough Bradley Williams
Operations Officer

11/30/16
Date

11/30/16
Date

THIS INSTRUMENT HAS BEEN PRE-AUDITED
IN THE MANNER REQUIRED BY THE LOCAL
GOVERNMENT BUDGET AND FISCAL CON-
TROL ACT.

Wicki Evans
FINANCE DIRECTOR

APPROVED FOR LEGAL SUFFICIENCY
BY: Phyllis T. Jones
County Attorney's Office

**REQUIREMENTS FOR ARBOR E&T, LLC d/b/a ResCare WORKFORCE SERVICES
TO PROVIDE SERVICES IN AN INTEGRATED SERVICE DELIVERY SYSTEM FOR
CUMBERLAND COUNTY**

INCLUDING:

- THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) ADULT AND DISLOCATED WORKER PROGRAMS
- EMPLOYER SERVICES
- THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) IN-SCHOOL AND OUT-OF-SCHOOL YOUTH PROGRAMS

FOR A PERIOD OF DECEMBER 1, 2016 – JUNE 30, 2017. Contract may be extended for two additional one-year periods, depending upon availability of Workforce Innovation and Opportunity Act (WIOA) funding, and at the discretion of the Workforce Development Board in consultation with Cumberland County government.

AND

- TRANSPORTATION SECTOR CAREER PATHWAYS GRANT
- DISLOCATED WORKER EMERGENCY GRANT

FOR A PERIOD OF DECEMBER 1, 2016 – JUNE 30, 2017. Contract may be extended for two additional one-year periods, depending upon availability of Workforce Innovation and Opportunity Act (WIOA) funding, and at the discretion of the Workforce Development Board in consultation with Cumberland County government.

Scope of Program:

The contractor (i.e. ResCare) will be a major part of the Cumberland County NCWorks Career Center that serves citizens in the preparation, training, and obtainment of jobs. The contractor will also be part of the team that assists employers in recruiting, screening, and hiring individuals. ResCare will work closely with Division of Workforce Services (DWS) staff, Veterans' staff, all partner agencies that provide services in the Career Center and/or throughout the community in their respective venues (e.g., Department of Social Services, Division of Vocational Rehabilitation, Fayetteville Technical Community College, etc.), members of the Youth Sub-Committee, and other agencies that may become partners of the NCWorks Career Center during the contract period.

ResCare will be part of each team (with functions including welcome, co-enrollment in Wagner-Peyser and WIOA, job referrals, talent assessment and talent development, and employer services). ResCare staff shall ensure all marketing and training materials are up to date as such

Attachment A: Statement of Work

materials are disseminated to the public. The ResCare Project Director will meet on a frequent basis with the Career Center Manager, Workforce Director, and DWS Manager to discuss integration and seamless customer service. ResCare staff will participate in frequent meetings with DWS staff for training, information-gathering, and implementation of new procedures.

All staff providing customer services will be located at 410-414 Ray Avenue, Fayetteville, NC and will provide services in an integrated service delivery model during the normal office hours of 8:00 AM – 5:00 PM, Monday through Friday.

Using NCWorks, all applicants will be co-enrolled in WIOA and Wagner-Peyser. In addition to participating in welcome, orientation, and job search assistance activities, all those determined by the talent assessment team to need additional assistance beyond core and staff-assisted core services will have an Individual Employability Plan, and must be determined eligible according to WIOA Federal Regulations, with supporting documentation. Files will be retained for three years, and all files will meet or exceed data validation requirements. All employed participants enrolled beyond basic services will receive follow-up for one year after exit from the WIOA program. Case notes will be retained on all participants, following the guidelines in NCWorks.

ResCare will participate in all functional team activities and contribute to the successful completion of Center goals. The top priority for the Career Center is the placement of customers into jobs.

Center-Wide Goals: If the contract is extended for additional terms, the Workforce Development Board and ResCare staff agree to adjust goals to meet changing expectations and performance mandates.

- At a minimum, 5316 adults and dislocated workers (combined) will be enrolled in basic and/or career services.
- Of those who are enrolled, at least 2388 will receive at least one training activity, as defined later in this document.
- Place at least 753 individuals in unsubsidized jobs in the public or private sector. Job placements are defined as individuals who obtained employment as a result of receiving services through the Career Center, even if not due to direct referral. Placements shall be tracked and verified through the NCWorks Online system in one of the following two ways: (1) by updating the referral status to the internal job order to reflect "hired" or (2) by recording a "650" service code to the participant's profile. The 650 code indicates the participant received self, or staff assisted services, within the last 90 days. ResCare will provide a monthly report to the Career Center Manager and/or the Workforce Development Director. The information will include the name of the individual, the name of the company or agency, the starting salary, and hours worked per week.

ResCare Goals for the initial contract period of December 1, 2006-June 30, 2017:

- Enroll a minimum of 422 job seeker customers in WIOA Career Services (beyond Basic Career Services).

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- Enroll a minimum of 243 career seekers in either work-based learning or ITA training activities (unduplicated). These are in addition to previously-enrolled clients carried over from PY15 (if enrolled prior to 7/1/15, but does not enter work-based or ITA training activity until after 7/1/15, then will count as new for this category).

Adult and Dislocated Worker Goals

Goal Description	PY15 Goal	PY15 Achieved 7/1/15 – 6/30/16	Achieved 7/1/16–11/15/16 (Current Contract)	Goal for new Contract Period 12/1/16 – 6/30/17
Placed in Unsubsidized Employment	400	885	220	753
Enrolled in Occupational Training	375	387	182	243
Enrolled in Intensive Service	600	623	263	422
Enrolled in Basic Career Services	6600	6803	2167	5316
Enrolled in a Training Service	2500	2171	517	2388
Enrolled into DWNEG activities	N/A	N/A	N/A	125
Enrolled into Collision U Career Pathways Activities	N/A	N/A	N/A	25

Youth Goals (Note: At least 75% of approved Youth budget must be expended on Out-of-School Youth services)

Goal Description	PY15 Achieved 7/1/15 – 6/30/16	Achieved 7/1/16– 11/15/16	Goal for new Contract Period 12/1/16 – 6/30/17
Pre-Employment Training/Work Maturity (NCWorks Code 401)	87	5	92
Leadership Development Services (NCWorks Code 410)	133	48	193

Attachment A: Statement of Work

Enrolled in Occupational Skills Training (NCWorks Code 416)	36	13	27
Enrolled in Paid Work Experience (NCWorks Code 425)	31	5	29
Placed in Unsubsidized Employment (NCWorks Code 427)	22	5	19

Definition of Training

Training is any activity that leads to a certificate of completion, a certification, or a college degree, that results in maximizing participants' chances for obtaining full-time employment. This training may occur within the Career Center, online, or by attending coursework with one of the eligible training providers. When Individual Training Accounts (ITAs) are issued, the ITA policy must be followed. Any exceptions to the cap on funds or the length of time must be approved in writing, in advance, by the Workforce Development Board Director.

Should the allocated funds become 90% obligated, ResCare goals may be adjusted downward accordingly and in negotiation with the Workforce Development Board.

In addition to the training activities outlined above, the following activities shall be considered "training" in that they all increase the employability skills of the job seeker: NCWorks codes 104, 151, 214, 215, 219, 222, 300, 301, 302, 304, 310, 323, 324, 325, 328. All activities must be captured in NC Works Online.

In addition, ResCare will work closely with the Workforce Development Board's Youth Sub-Committee to develop a strategic plan for serving youth in Cumberland County and tracking separately the in-school and out-of-school youth enrollment, training, and other services provided.

Reporting Requirements and Responsibilities to the Workforce Development Board

Performance data must be provided to the Workforce Development Board on a monthly basis, and must include the number of enrollments, number receiving training, and the common performance measures. In addition, financial and ad hoc reports may be requested. These reports shall include cumulative numbers as well as activities since the last report. The financial reporting requirements must reflect actual invoices, plus a separate report on accruals. A representative must attend each of the bi-monthly Workforce Development Board meetings and special called meetings as announced by the Board Chair to present written reports and answer questions of Board members.

Monitoring

The files and staff shall be available to the Workforce Development Board's Support Staff and to the State staff for monitoring reviews. ResCare will have 10 work days from the receipt of any monitoring report to provide a written corrective action plan. The monitoring will include file reviews, performance reviews, and measures of customer satisfaction, including mystery shopping by an independent entity.

Coordination with Other Agencies

ResCare will work with other local and state agencies to provide cross-referrals in order to enhance services. ResCare will make presentations to community groups and agencies, such as Vocational Rehabilitation and the Department of Social Services, to further the understanding of each partner's capabilities and roles. Cross-referrals and presentations to community groups and other partnering agencies will be tracked and reported to the Workforce Development Board at their next meeting.

ResCare will make staff professional development training available to all Career Center staff. Training, including RAYS, Supply/Demand Portal, Business Solutions, and others, may be offered to staff of partnering agencies as well.

Work-Based Training

ResCare will provide opportunities for training in the workplace, including job shadowing, career exploration, paid work experience, and On-The-Job Training. These activities will be governed by the Cumberland County Workforce Development Board policies and policies/ guidelines issued by the North Carolina Division of Workforce Solutions.

Additional Requirements for ResCare

ResCare will submit timely invoices by the close of business on the tenth working day of the month following the month that services are invoiced. These invoices shall be complete and accurate. ResCare should provide a full job description for each staff person and how that position participates with the Integrated Services' Team. ResCare is expected to actively participate in two innovative service approaches:

- (1) Combined approach to serving Out-of-School Youth. The age requirements for Adult and Out-of-School Youth overlap for the ages of 18-24. The ResCare Project Director will work with the Career Center Manager and the Workforce Development Director to devise a plan to identify potential youth participants during the welcome and intake process and whether individuals between the ages of 18-24 will be served as an adult or youth.
- (2) Sector Strategies: WIOA provides that class-size training may be used instead of ITAs if the Board determines that entire classes should be funded for particular industries and/or sectors. One example would be for training in auto collision and repair jobs. If the Board identifies a class-size strategy, ResCare is expected to provide all intake services,

Attachment A: Statement of Work

orientation, placement, and follow-up services to these class-size groups. Each student placed in class-size training will count toward ResCare's training and ITA goals.

ResCare is required to submit written nominations for outstanding participants, employers, and partners for recognition and submission to the annual State Workforce Conference and related events. A minimum of at least four submissions is required for each category (e.g. In-School Youth Participant, Out-of-School Youth Participant, Adult Participant, Dislocated Worker Participant, Employer, and Partner).

ResCare will assist with the development of up to two grant applications per contract year in pursuit of additional funding.

VICKI EVANS
Finance Director



ROBERT TUCKER
Accounting Supervisor

IVONNE MENDEZ
Accounting Supervisor

ITEM NO. 5

FINANCE OFFICE

4th Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE
JUNE 8, 2017 MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE MEMBERS
FROM: VICKI EVANS, FINANCE DIRECTOR *Vote*
DATE: MAY 31, 2017
SUBJECT: **CONSIDERATION OF ACCEPTANCE OF BIDS FOR
HEALTHCARE DELIVERY SERVICES AT THE CUMBERLAND
COUNTY DETENTION CENTER**

Requested by: Amy Cannon, County Manager
Presenter(s): Ronnie Mitchell, Legal Counsel, Office of the Sheriff

Estimate of Committee Time Needed: 15 Minutes

BACKGROUND

During the March 20, 2017 Board of Commissioners' meeting, approval was given to issue a request for proposal (RFP) for the Cumberland County Detention Center's healthcare delivery services. The RFP was issued on May 10. The original deadline of May 18 was extended to May 24 to allow time for applicants to consider additional information that was brought about by questions and answers generated within the allowed timeframe.

Presently, the RFP review team is analyzing the responses. The team will continue to meet through next week in anticipation of providing the results and the recommendation to the finance committee prior to the June 8 meeting date.

RECOMMENDATION/PROPOSED ACTION

Management recommends that the Finance Committee approve the Cumberland County Detention Center healthcare delivery services contract award to (entity to be determined) and forward to the Board of Commissioners meeting for its consideration at the June 19, 2017 meeting.

VICKI EVANS
Finance Director



ROBERT TUCKER
Accounting Supervisor

IVONNE MENDEZ
Accounting Supervisor

ITEM NO. 6

FINANCE OFFICE

4th Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE
JUNE 8, 2017 MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE MEMBERS
FROM: VICKI EVANS, FINANCE DIRECTOR *vpe*
DATE: MAY 31, 2017
SUBJECT: **CONSIDERATION OF ANNUAL TRANSFER TO THE HEALTH
INSURANCE FUND FOR INCURRED BUT NOT REPORTED
CLAIMS**

Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: 5 Minutes

BACKGROUND

By June 30 of each fiscal year *the County must estimate the dollar amounts of claims for services that have been rendered but not yet billed to BCBS for the fiscal year, known as IBNR-incurred but not reported.* The estimate of fiscal year 2017 IBNR is projected to be close to the same amount as the IBNR amount of fiscal year 2016 because the average claims amount of fiscal year 2017 has not increased. The projected fiscal year 2017 IBNR amount totals \$2,200,000 which requires a budget revision. The fiscal year 2016 IBNR amount was \$2,430,000.

In anticipation of the annual IBNR cost, \$2,500,000 was designated within the FY16 year-end fund balance designations of the general fund, designated for special purposes. A budget revision has been prepared to request the transfer of general fund fund balance totaling \$2,200,000 into the health insurance fund.

RECOMMENDATION/PROPOSED ACTION

Management recommends the Finance Committee approve and forward to the Board of Commissioners the following action:

Approve the fund balance transfer by approval of **Budget Ordinance Amendment B171061** to transfer \$2,200,000 out of the general fund and into the health insurance fund.