



December 1, 2011

To: Tom Burke, President
ACBO Board of Directors

From: Susan Bray, Executive Director
ACCCA

RE: **REVISED Memorandum of Understanding**

Thank you for the opportunity to propose an expansion of our existing agreement for administrative services to ACBO. If agreeable, the following terms will supersede any previous agreements currently in effect. The term of this REVISED agreement ***commences on 1/1/12 and will expire on 12/31/15*** unless terminated in by either party with 60 days advance notice submitted in writing.

Under the REVISED agreement ACCCA will provide the following services and considerations:

1. **GENERAL OFFICE MANAGEMENT:** A combination of ACCCA paid staff, subcontractors retained by ACCCA and additional temporary clerical staff retained and compensated at ACCCA's discretion on an as-needed basis will provide ACBO with general office management, production and administrative services for the day-to-day operation of the Association of Chief Business Officials, hereinafter referred to as ACBO. Specific duties include:
 - a. Assist the Board President with the development and distribution of monthly Board agendas, meeting minutes and any background materials requested in support of monthly Board meetings (**no change from existing agreement**);
 - b. Arrange for meeting space, catering, and provide administrative assistance on site at all ACBO Board meetings based on their established calendar unless otherwise arranged in advance (**no change from existing agreement**);
 - c. (**The following stipulation is amended to reflect an increased responsibility for the development and maintenance of the ACBO web site.**) Maintain existing web site and/or arrange for site renovation per specifications, and at the direction of the ACBO Board. Site maintenance included in this agreement means the day-to-day monitoring of online purchasing activity, updating and installing event registration and sponsor order forms, posting board meeting, job announcements and other materials at the direction of the Board. It also includes installing all necessary Institute and Conference downloads at the direction of the Board or their designated representative(s). It also includes activating required SSL web site security certification to maintain compliance for purposes of online transactions and activity.

- i. It is agreed that any additional structural or design modifications to the existing site design will be managed by ACCCA only on approval of the ACBO Board and will be facilitated by an outside consultant specifically qualified to perform such work. As this work is beyond the scope of this agreement, such services will be at the discretion of the ACBO Board and contracted separately by ACBO and overseen by ACCCA.
- d. ACCCA will continue to facilitate regular communication among members of the ACBO Board and CBOs statewide via mail, broadcast emails or conference calls as necessary to facilitate the work of the Board's leadership or designated committee(s) in the development of issues for ACBO board discussion, conferences or Institute planning committee meetings;
- e. ACCCA will respond to all ACBO member/CBO or other requests and redirect inquiries to the appropriate individual as they are received.
- f. (This section of the existing agreement is significantly amended to reflect ACBO's request for expanded financial services and assistance.) In order for ACCCA to provide overarching bookkeeping and financial services to ACBO, specific tasks to initiate these services are expected and must occur including: the development of a distinct and separate company profile within ACCCA's existing Quickbooks (QB) software, including the establishment of an official chart of accounts in cooperation with a designated ACBO representative. Depending on options selected by ACBO, the possible reprinting of checks for processing by ACCCA's accounting service and the possible establishment of new Sacramento-based bank accounts for ACBO depending on the wishes of the Board and the options selected below. Generally, ACCCA will provide bookkeeping and financial services to ACBO as follows:
 - i. **Revenues:** Using a Quickbooks (QB) format, on a daily basis designated ACCCA staff will process (log, endorse and deposit) all revenue from checks and/or cash received, and verify all online payments via Authorize.net to ensure timely deposits of all funds are credited to ACBO's primary fund account. Any other funds will be deposited as received per instructions from the Board to designated accounts (golf account, investment accounts, etc.)
 - 1. A weekly report of all reconciled revenue received on behalf of ACBO called the "Cash Receipts Journal" (CRJ) will be electronically provided to a designated representative of the ACBO Board for their review.
 - 2. Revenue totals for all accounts will be incorporated into the Monthly Financial Statement (MFS) and provided to the Board at each meeting.
 - ii. **Expenses:** Also utilizing QB, ACCCA staff will date stamp all payables upon receipt and enter into QB for payment processing. The original invoice will be copied, batched with others received

and forwarded electronically to a designated representative of the ACBO Board for initial authorization at regular intervals. Once approved, ACCCA will cut checks for the approved amounts and process payments.

1. ***AUTHORIZED SIGNERS OPTION 1: TWO SIGNERS REQUIRED ON EACH CHECK.*** Susan Bray, Executive Director of ACCCA and Administrative Liaison to ACBO, is designated ***as one of two signers*** on ACBO's checking account(s). A second required signer will be designated by the ACBO Board. Once the payable(s) is/are approved, a check is cut the appropriate ACBO0 account and signed by signatory #1. The check is then sent to the designated ACBO representative for counter signature and mailed to payee.
2. ***AUTHORIZED SIGNER OPTION 2: ONE SIGNER REQUIRED ON ALL CHECKS.*** Once the prepared batch of payable(s) is/are approved, the accompanying check is signed by the designated representative of the Board and mailed. The back-up information on the payable(s) is/are returned to the ACBO office for filing.

- iii. ***Necessary Reports to the Board, Federal and State Filings.*** ACCCA will prepare weekly transmissions of the Cash Receipts Journal (CRJ); and the Monthly Financial Statements (MFS) for each month in the fiscal year. The ACBO Board shall have the option of requesting an annual financial review and statement prepared by an outside accounting firm which includes the filing of the Federal and State returns. Additionally, ACBO may choose to opt for an annual Internal Controls Audit provided by an outside auditor. These services are separate and fall outside the scope of ACCCA-provided services for purposes of this agreement. If selected, these services will be provided by outside contractors selected by agreement between ACCCA and ACBO.

1. ***ANNUAL FINANCIAL REVIEW/STATEMENT & FEDERAL/STATE FILING OPTION:*** If selected, this option would authorize ACCCA to prepare for, and engage a Board-approved outside accounting service to provide an annual financial review and statement of revenue and expense. Additionally, the annual 990 Federal Return and corresponding State return filing will be prepared by ACCCA's contracted accounting service for the review of and filing by a designated representative of the ACBO Board. ***Cost of this option is capped at \$1,500***
2. ***ANNUAL AUDIT OF INTERNAL CONTROLS OPTION:*** If selected, this option would authorize ACCCA to engage a Board-approved outside accountant to perform an audit of internal controls and processes with

regard to the administrative and financial functions of the Association (ACBO), which is separate and apart from the operations of ACCCA. ***Cost of this option is capped at \$2,500***

As indicated above and included in this agreement, ACCCA will provide the ACBO Board with weekly reconciled cash reports and monthly reports of all financial activities. Additionally, ACCCA will provide *Financial Event Reports* at the conclusion of **each** Conference and each Institute Program. Event reports will feature logistical reporting including attendance counts; revenue status (received and outstanding), expenses and an analysis of each event's evaluations.

2. ***PROFESSIONAL DEVELOPMENT ACTIVITIES:*** Professional development activities sponsored by ACBO include two conferences each fiscal year (Spring and Fall) and one annual Institute Program (Institute I or II, but not both in the same fiscal year).

These programs will continue to be directed and designed by the ACBO Board of Directors, meaning all ***content and format*** decisions are made by the regional appointed members of ACBO and the ACBO Board. All administrative and meeting planning functions, including general planning assistance to the designated conference chair and Board, event management and reporting, developing site options for the Board's consideration, contracting sites, presenters and services, sponsor option development, registration & payment processing, development of the registration list and onsite administration will be facilitated by ACCCA at the direction of the ACBO Board who is ultimately responsible.

Professional development programs, other than those stipulated above, which are initiated by ACBO fall outside the scope of this agreement and must be negotiated separately if they are to be facilitated by ACCCA.

- a. ***ACBO INSTITUTE:*** ACCCA staff will provide assistance to the Institute (I and II) coordinator(s) to facilitate the program as requested by the Board. Program content and speaker selection and scheduling will fall under the purview of the coordinator(s) and the ACBO Board. Logistics for each session, including site selection and contracting, sponsor development, participant communications, materials, registration and event reporting will be facilitated by ACCCA in cooperation with the program coordinators and the ACBO Board.

In exchange for these services and considerations ACBO will compensate ACCCA \$39,500 annually, payable in monthly installments of \$3,291.66. All reasonable travel expenses of ACCCA staff and/or contracted representatives related directly to ACBO events as described above shall be reimbursed to ACCCA or paid directly by ACBO.

The term of the agreement will be three years, **commencing on January 1, 2012 and concluding on December 31, 2015**. Either party may terminate the agreement with 60 days written notice and with the understanding that applicable service fees will be prorated and all expenses incurred will be reimbursed up to the date of termination.

FOR ACCCA:

SIGNATURE

Susan Bray, Executive Director
ACCCA

DATE

FOR ACBO:

SIGNATURE

Tom Burke, President
ACBO

DATE