

Richland County Council

County Administration Building
2020 Hampton Street
P.O. Box 192
Columbia, SC 29202



Phone: (803) 576-2061
Fax: (803) 576-2136

COUNCIL WORK SESSION INTERNAL AUDIT October 22, 2013 4:00 PM

- 1. Call to Order: Chairman Kelvin E. Washington, Sr.**
- 2. Background: Tony McDonald**
 - a. May 7, 2013 Council Meeting**
 - i. Procurement**
 - ii. Public Works**
 - iii. Utilities**
 - iv. Information Technology**
 - v. Legal**
 - b. September 24, 2013 Internal Audit Committee Meeting**
 - i. Discussed proposed concept for moving forward**
 - c. October 1, 2013 Council Meeting**
 - i. Scheduled Work Session**
- 3. Build Your City, County & Country Approach vs. Traditional Internal Audit: Tony McDonald**
- 4. Presentation – Build Your City, County & Country: Derrick Robinson [PAGES 3-7]**
- 5. Discussion of Proposed Next Steps: Tony McDonald**

6. Q&A

7. Adjourn



BUILD YOUR CITY, COUNTY & COUNTRY

235 Peachtree Street, N.E. – Suite 400 – Atlanta, GA 30303 | (404) 465-3382 | info@bycprogram.org | www.bycprogram.org

July 30, 2013

Tony McDonald
County Administrator
Richland County
2020 Hampton Street P.O. Box 192
Columbia, SC 29202

Dear Tony:

- Letter of Engagement

This Letter of Engagement (“LOE”) is entered into between BYC.ORG (“BYC”) and Richland County of South Carolina (“Customer”) on this 30th day of July, 2013 (“Effective Date”) and establishes the scope, terms and conditions associated with the delivery of business consulting, analysis and advisory work (“The Services”). This LOE will govern the relationship between the parties until such a time when (i) a Services Agreement between the parties superseding this LOE is executed or (ii) the term of this LOE expires.

- Engagement Objective

Assist Richland County in identifying and defining opportunities for improving operations issues in key departments through process definition and evaluation.

- Scope of Services

BYC’s primary role is to work with Richland County to assess current state processes, envision future state processes, determine gaps and develop an action plan for addressing gaps. BYC will provide these services to the Customer for the following key departments:

1. Procurement Department
2. Public Works Department
3. Utilities Department
4. Information Technology Department
5. Legal Department

Note: As time permits, a high level prioritization framework will be applied to other non-key departments that are not the primary focus of our efforts to provide a sense of relative scale for the “key departments” that are part of the scope of this engagement.

- Key Deliverables and Timeline

As a part of The Services, BYC will deliver a series of deliverables to Customer including, but not limited to, the following:

Deliverable	Description	Estimated Duration
Current State Assessment	Document describing business objectives, current state process capabilities and culture.	3 Weeks
Future State Vision and Gap Analysis	Document describing future state process vision, current state process gaps and opportunities for process improvement.	3 Weeks
Action Plan	Document organizing opportunities into initiatives or strategic theme mapped to a high level milestone-based plan (roadmap).	2 Weeks

Material changes to the Deliverables set forth in this LOE may require changes to the Services Fees.

- Project Governance

BYC and Customer will conduct weekly status meetings for the duration of the engagement. During each status meeting BYC will deliver a status report to Customer detailing the progress of the Services. Each status report will include but not be limited to:

- Current Week Activities
- Next Week Planned Activities
- Project Issues
- Project Risks
- Deliverables Review
- Deliverables Approvals

- Customer Resource Requirements

Customer shall use commercially reasonable efforts to make the appropriate subject matter experts available to support the completion of the Services in a timely manner. The table below summarizes the key Customer project roles and their respective time commitments for the project. BYC estimates the project will require roughly 8 to 10 weeks of elapsed time.

Role	Full-Time Equivalency of Role During Project
Department Leadership	5% – 25%
Subject Matter Experts	25% – 50%

- BYC Resources

BYC shall staff the project with the following named resources for the following weekly commitment specified in the table below. Additional resources may be used as required. BYC estimates the project will require roughly 8 to 10 weeks of elapsed time.

Role	Resource
Engagement Manager / Sr. Business Analyst	Derrick Robinson
Sr. Business Analyst	Curtis Smith

- Fees for Services

This is a fixed bid contract for services. The total amount for services is \$79,200 (“Services Fees”).

The fees above are not inclusive of necessary travel and related expenses incurred toward the delivery of The Services. All travel and related expenses will be invoiced to Customer at the end of invoice period in which they were incurred and will comply with Richland County’s internal travel policies.

BYC shall invoice Customer for the Services Fees according to the following schedule:

- Twenty Five percent (25%) of the Services Fees will be invoiced upon execution of this LOE;
- Twenty Five percent (25%) of the Services Fees will be invoiced upon achieving 50% execution of this LOE;
- Fifty percent (50%) of the Services Fees will be invoiced upon completion and approval of the Services.

- Representations and Warranties

BYC represents and warrants to Customer that:

- A. BYC is duly organized, validly existing and in good standing as a non-profit corporation under the laws of the State of Georgia.
- B. Neither the execution, delivery nor performance of this LOE will, with or without the giving of notice, the passage of time or both, result in a violation or breach of any contract, agreement, instrument, understanding, order, judgment, decree, rule, regulation, law (in each case, whether domestic or international) or any other restriction to which BYC is a part or pursuant to which BYC or its assets are subject or otherwise bound.
- C. BYC shall comply with all local, state, federal and international laws and regulations in performing its obligations hereunder including, without limitation, laws and regulations tax, employment, outsourcing, privacy and marketing.
- D. BYC will perform all The Services in an efficient, effective, professional, workmanlike and skillful manner by qualified personnel and in accordance with practices and standards generally accepted in the accounts payable, cash management and collections consulting industry in the United States, and any other requirements set forth in subsequent agreements between the parties hereto.

- Term

The term of this LOE shall continue until the earlier to occur of (i) the parties agree that The Services under this LOE are complete, (ii) a services agreement superseding this LOE is executed or (iii) either party notifies the other of its intention to terminate this LOE (in which case Customer shall pay BYC all accrued, but unpaid fees and expenses under this LOE through the date of termination in accordance with the payment terms set

forth herein).

- Other Terms

- A. Reciprocal Obligation to Indemnify. Each party ("Indemnifying Party") shall indemnify, defend and hold the other party and its officers, directors, employees, agents, shareholders, partners, affiliates, and representatives (collectively, the "Indemnified Parties") harmless from and against any and all claims, actions, causes of action, lawsuits, damages, liabilities, obligations, costs and expenses (including court costs and reasonable attorneys' fees) (collectively, "Losses") incurred by, or imposed or asserted against, the Indemnified Parties as a result of any breach of any obligation, covenant, representation or warranty hereunder.
- B. Limitation of Liability. Except in connection with any Loss arising out of gross negligence or willful misconduct, neither party shall be liable to the other for, nor will the measure of damages include, under any theory of liability (whether legal or equitable), special, indirect, punitive, incidental or consequential damages, including, without limitation, damages for lost revenue. Nothing herein shall limit BYC's rights to the fees described in "Fee For Services" section.
- C. BYC acknowledges that as a regular part of the Services such party shall receive confidential information of Customer. BYC acknowledges the confidential and proprietary nature of the confidential information and agrees that, absent the prior express written consent of the other party, each shall comply with the terms of the Confidentiality Agreement agreed to and executed on _____ and such additional agreements as shall be executed between the parties hereto regarding privacy and protection of confidential data. The terms of the Confidentiality Agreement shall survive termination hereof.
- D. This Agreement may not be modified or amended except in writing signed by a duly authorized representative of each party.
- E. BYC is an independent contractor of Customer and nothing herein shall be deemed or construed to create a partnership, joint venture or agency between them. Neither party shall have any power whatsoever to obligate or bind the other party hereto in any manner.
- F. BYC is solely responsible for its own activities, and assumes full and sole responsibility for its own acts and the acts of its employees, officers, agents and vendors.
- G. In the event any one or more of the provisions of this LOE for any reason shall be held to be invalid, illegal or unenforceable, the remaining provisions of this LOE shall be unimpaired.
- H. This LOE may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

Sincerely,

Barry Jones
BYC

By the signatures below of their respective authorized representative, the parties agree, as of the Effective Date forth set forth above, to the terms and conditions of this LOE.

BYC	Customer:
_____ Signature	_____ Signature
_____ Printed Name	_____ Printed Name
_____ Title	_____ Title
