

*Service Agreement for the Assessment of the Efficiency and Effectiveness of the Financial Services Department - Request for Proposal Event No. 62*

**EXHIBIT C  
MODIFIED SCOPE AND COST**

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**Both parties agree to the following modifications to the Scope of Work specified in Section 3 of the Scope of Work:**

- *Modify question 1c* in the section addressing “Organization and Support of Financial Services” which asks “Is the Utility Billing Office (UBO) properly structured within the organization and the right structure within UBO? Is there a case to be made for including the Utility Billing Office in the Finance Department (or as a separate department).” Strike the last sentence asking “Is there a case to be made for including the Utility Billing Office in the Finance Department (or as a separate department).”
- *Modify questions 2d and 2e* in the section addressing “Staffing Levels” to be limited to assessing pay, classification and qualifications for only those key positions as designed by the City, not to exceed eight individual positions.

Except for the two modifications above, Weaver and Tidwell, L.L.P. (aka Weaver) is expected to provide answers to all questions specified in the Scope of Work portion of the Request for Proposal.

**Both parties agree to the following modifications to the Project Approach specified by Weaver in their August 17, 2015 “Proposal for Assessment of the Efficiency and Effectiveness of the Financial Services Department”:**

- Weaver is not expected to perform the “Knowledge Skills Assessment (KSA) as specified in their approach to assessing staffing levels;
- Weaver is not expected to review all Departmental job descriptions and compare them against individual employee qualifications;
- With regard to policies and procedures, Weaver will review City policies for reasonableness and completeness;

- With regard to developing recommendations to improve the internal control structure of the divisions in Financial Services, or to answer the specific questions for each division as outlined in Question 6 of the “Scope of Work”, Weaver will provide, at a minimum, high-level recommendations to improve the internal control structure. However, in-depth root-cause and cost-benefit analysis will be condensed as budget allows. If additional work is needed beyond the estimated hours to more fully evaluate control gaps identified, or to perform root cause or cost-benefit analysis, the additional hours required for this work must be requested and explicitly approved by the City.

**Both parties agree that the “Updated Cost Proposal” included in this Exhibit C replaces the initial cost proposal provided by Weaver in their proposal submitted August 17, 2017.**

## Updated Cost Proposal

The updated cost proposal below reflects the scope revisions proposed by the City. The scope, as revised, limits the Staffing Level evaluation to key positions, as defined by the City, eliminates the analysis of the placement of the Utility Billing Office in the evaluation of the Organization and Support of FIN Services, and only allows for a review of City policies for reasonableness and completeness. Additionally, the analysis of the Divisions will be limited to the identification of controls and control gaps.

We will provide, at a minimum, high-level recommendations to improve the internal control structure of the Divisions. However, an in-depth root-cause and cost-benefit analysis will be condensed, as budget allows. Further evaluation of control gaps or performance of root-cause and cost-benefit analysis will require additional hours, of which must be requested and approved by the City.

Estimated fees for our services are provided below:

	ESTIMATED HOURS	ESTIMATED PRICE
<b>Organization and Support of FIN Services</b>	100	\$15,000
<b>Staffing Levels</b>	100	\$15,000
<b>FIN Policies, Procedures, Process Flow and Charting</b>	60	\$9,000
<b>FIN Performance Reporting</b>	80	\$12,000
<b>CAFR Preparation</b>	110	\$16,500
<b>Divisions</b>		
<i>Utility Billing Office</i>	100	\$15,000
<i>Purchasing</i>	100	\$15,000
<i>Warehouse</i>	100	\$15,000
<i>Accounts Payable</i>	100	\$15,000
<i>Accounts Receivable</i>	80	\$12,000
<i>Accounting</i>	80	\$12,000
<i>Payroll</i>	100	\$15,000
<i>Grants</i>	100	\$15,000
<i>Cash Management</i>	80	\$12,000
<i>Central Cashiering</i>	100	\$15,000
<b>Subtotal</b>	<b>1,390</b>	<b>\$208,500</b>
	<i>Travel (not to exceed)</i>	\$20,000
<b>Total</b>	<b>1,390</b>	<b>\$228,500</b>