

Schedule 3

THIS SCHEDULE THREE (3) is made and entered into this 31st day of July, 2020 and is made part of and annexed to the Engagement Letter dated November 7th, 2018 by and between Madison County, VA (hereinafter referred to as "Customer") and Cherry Bekaert LLP, a Virginia Limited Liability Partnership, with offices at 200 S. 10th St., #900, Richmond, VA, 23219 (hereinafter referred to as "Company").

NOW THEREFORE, Customer and Company hereby agree as follows:

Scope of Work

Company has been retained to provide Independent Project Assurance ('IPA'). The purpose of the Company's role is to provide oversight, guidance, and change management leadership regarding Company's upcoming software solution implementation.

The Customer is responsible for the following activities:

- Data conversion, to the extent ~~this~~ that data conversion is not a service provided by the software implementer in their Statement of Work
- Customer pProject management resource(s) to be responsible for:
 - Ensuring project plan is adequate
 - Ensuring project plan is adhered to
 - Assigning Customer resources to project tasks
 - Communicating with the Board, where required
 - Ensuring resources are completing their respective responsibilities
 - Managing resource availability to complete their responsibilities
 - Analyzing and managing project risk
 - Monitoring of project progress
 - Reviewing project status report provided by software provider
- Receiving training from software provider
- Testing implemented solution
- Making key business decisions related to the configuration and process flow
- Reporting bugs and system defects to the vendor
- Signing off on project milestones and change orders

~~This~~ Company is responsible for ~~includes~~ the following activities:

- Review and validate Customer's data conversion
- Review and provide feedback to Customer on project status updates from the software provider
- Review and provide feedback on project plan from software provider
- Review and validation of customer's testing activities per the vendor's testing plan
- Assess key business decisions and configurations requested by the Customer against solution capabilities and best practices
- Review proposed change orders versus original project scope
- Participate in status meetings between Customer and software provider
- Assess and offer opinion on the capabilities of the implementation consultants provided by Vendor and make recommendation if alternative resources would be beneficial

Tasks to perform

- ▶ Review and assess chosen solution provider's project plan documents and advise Customer as appropriate
- ▶ Attend and actively participate in on-site or remote project kick-off meetings, remotely if practical
- ▶ Assist Customer in designing a change management and solution deployment timeline including the determination of a reasonable Go-Live date
- ▶ Support Customer by validating Solution Provider's approach to: system configuration and setup, data migration & conversion, integrations, and implementation methodology to ensure adequate planning and thought has been performed in the preparation for the new system. The Company with validate the Customer's ~~see~~ efforts ~~would validate~~ and recommend changes where necessary in the Customer's performance of the following:
 - Solution is setup properly and efficiently on the network and/or the solution is readily and securely accessible online

- Data migration and conversion by either the Customer or the software provider is performed properly to facilitate accurate reporting and efficient processes in the new solution
- Any integrations between pieces of the solution perform well and can be verified end-to-end
- Solution requirements specific to solution implementation are adequately defined
- Systematic examination of the solution's configuration to ensure that Customer's key requirements will be achievable
- Monthly or as requested by Customer, a~~Regular~~ review of project steps, work solutions, and documentation
- Customer will be able to Go-Live at the correct time with confidence of continuation to maintain orderly function of County business
- ▶ Support ~~the~~ Customer by ~~in~~-creating a training, testing, and validation schedule to ensure that appropriate actions and measures are taken by key members of staff in preparation for the change in process and technology
- ▶ Monitor Customer's training, testing, and validation activities and efforts as they perform the following:
 - Ensure that initial data recorded in the new solution is complete and accurate
 - Inspect the solution configuration to ensure that the system is managing business processes as planned
- ▶ Ensure appropriate tests are designed and executed to ensure data flowing through the new solution is complete and accurate and verify users can perform their responsibilities in an efficient manner. Participate in internal project planning and status review meetings with Customer and external project planning and status review meetings with both Customer and chosen solution provider throughout the duration of the project if required
- ▶ Participate remotely or on-site to support Customer in change management and solution deployment meetings with chosen solution provider as required
- ▶ Prior to the agreed upon Go-Live date, perform a Go-Live readiness assessment to discover and communicate to the team the status of the change management process and the likelihood and degree of success and any risks to the business based upon deficiencies in the configuration, validations, testing, training, reporting, and process changes within the solution and organization

Deliverables and documentation

- ▶ Review and support of vendor project status reports, either weekly or at the frequency provided. Company to provide project status reports with notations on areas of concern and recommended remediation activities for Customer’s Project Manager to assess.
- ▶ Creation of project activity & budget status report to indicate hours and dollars charged to date throughout the life of the project
- ▶ Creation of a Go-Live readiness assessment document

Assumptions & Expectations

- ▶ ~~The estimate below is valid for 30 days from date issued.~~
- ▶ ~~If a task or deliverable is not explicitly defined in this statement of work, it is assumed to be outside the scope of this project.~~
- ▶ The Company recognizes that professional standards dictate that we remain independent from the Customer in our services and that we do not entertain decisions that are reserved for Customer management. The Company will provide guidance and make recommendations within the bounds of the engagement defined herein, but the Customer management team is solely responsible for determining how current and future technology is to be configured and used to best support the Customer’s operations.
- ▶ Company understands that we will not act in a management capacity, make or approve business risk decisions, or present business risk considerations to those charged with governance or others on behalf of management. Customer’s project manager is to coordinate decisions made by the vendor’s implementation team.
- ▶ Customer is responsible for making all management decisions and performing all management functions, establishing and maintaining financial reporting internal controls, including monitoring ongoing activities.
- ▶ A primary solution/software provider will be selected and engaged by Customer with whom Company will engage to apply Independent Project Assurance
- ▶ Customer is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.
- ▶ The level of effort in a Project Assurance engagement includes specific tasks and deliverables and must factor in the length of the engagement. The expectation is that the project will be completed in 52-75 weeks. If the project timeline falls outside that expectation, the total fees will be higher or lower accordingly.
- ▶ The Company will be in contact with the Customer at minimum on a weekly basis, and more frequently as required to perform outlined tasks
- ▶ The Company is available weekdays between 8AM and 5PM EST during the duration of this engagement and will respond to Customer’s requests within 24 hours.

Change in Scope

Any significant change in project scope and/or deliverables as requested by Customer will dictate the submission of a Change Order by Company to Customer and formal approval by Customer.

Hourly Rate

The hourly labor rate(s) used to compute the Estimated Fee Range for this Schedule can be found in Exhibit “A”.

The Hourly Rate(s) specified above do not include coverage for prepaid charges, purchased product, travel time, and/or direct expenses such as mileage or overnight stay if appropriate.

Fee

We estimate that the Independent Project Assurance activities will consume approximately 300 hours over an expected implementation timeline of 52 - 75 weeks. We expect the range of total services to be between \$60,000 and \$75,000. This service will be provided on a “Time & Materials” basis, subject to a monthly retainer (minimum) of \$5,000/month. The average hourly rate of the work performed over the life the engagement will not exceed \$250 per hour except for when the monthly minimal retainer is not reached. Any required adjustment will be executed through the final billing.

	Engagement Option	Estimate / Commitment
√	Independent Project Assurance Services	Approximately 25 Hours monthly (\$5,000 monthly retainer)

(This Fee excludes coverage for travel time and actual out-of-pocket travel and living expenses.)

A weekly project status report will be provided to indicate hours and dollars charged to date throughout the life of the project.

Termination Option

Customer or Company may terminate this Agreement without cause at each 3-month anniversary of the Agreement provided that the terminating parties provided fifteen (15) days advance notice in writing to the other party.

Retainer & Invoicing

In the event that the total of Company's labor charges for each month are equal to or less than \$5,000, Company will invoice Customer \$5,000 within 10 days of the end of the month. Customer will also be billed for Travel Time as defined below in "Travel Time" and for actual, out-of-pocket travel and living expenses incurred during the delivery of the services.

By the 20th of any month, where the expected labor charges are less than \$3,300, Company will notify customer of the potential shortfall to give customer time to engage additional services to meet the \$5,000 monthly minimum.

If the total labor for any month exceeds \$5,000, Customer will be billed on a "Time and Materials" for services rendered at the rates defined in Exhibit "A," not to exceed \$8,000 per month. Customer will also be billed for Travel Time as defined below in "Travel Time" and for actual, out-of-pocket travel and living expenses incurred during the delivery of the services.

If Company is unavailable during any month preventing Customer from consuming 25 hours of services, Company will not hold Customer responsible for the monthly retainer.

Not a Fixed Fee Contract

Charges to be invoiced to Customer for Services are not fixed fee arrangements.

Term

The initial term of this Agreement is for 75 weeks, or approximately 17 months. The Agreement does not automatically renew.

Invoicing and Payment Terms

The retainer will be invoiced monthly in arrears at the rate of \$5,000 per month, plus any overages as defined above. Payment terms on all invoices will be **Net 30 Days**.

Travel Time

Company will bill Customer for round-trip travel time for any on-site work performed by a Company project team member. Round-trip travel time will be billed in 15-minute increments at ½ (50%) of the assigned Hourly Rate. All travel time between Richmond, VA and Madison, VA will be unbilled. The first hour of travel for any out of town resources will be unbilled. Total anticipated fees for travel are expected to be less than \$2,500.

Out-of-Pocket Travel and Living Expenses

The Client is responsible for all out-of-pocket travel expenses incurred by the project team member(s) assigned to a project for any on-site work performed by project team member(s). Auto mileage will be recorded, invoiced, and reimbursed at the then prevailing IRS rate. Any hotel and meal charges will be billed at actual cost, with no mark-up. We will work with management, as needed, to properly budget and plan for any projected out-of-pocket expenses.

IN WITNESS WHEREOF, the parties hereto, each acting under due and proper authority, have executed this Agreement as of the date first written above.

Madison County, VA:

Cherry Bekaert LLP:

By:

By:

Title:

Title:

Date:

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Exhibit "A"

Consulting Services Rate Card

Staff Level	Hourly Rate
Partner/Principal	\$ 395
Managing Director	\$ 325
Director	\$ 295
Senior Manager	\$ 270
Manager	\$ 250
Senior Associate	\$ 210
Staff Associate	\$ 180

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