

# Alleghany County Board of Commissioners

348 South Main Street  
Post Office Box 366  
Sparta, NC 28675  
Tel: (336) 372-4179

## County Commissioners

Mark Evans  
Bobby Irwin  
Bill Osborne  
Larry Prince  
John U. Irwin, Jr.

County Attorney  
Donna Shumate

## AGENDA

Tuesday, September 3, 2019

6:30 pm

- 6:30 Meeting called to order  
Pledge of Allegiance and invocation  
Approval of agenda
- A. 6:35 **Public Comments/Agenda Items:** Citizens are encouraged to comment at this time on any item(s) specifically listed on this meeting's agenda. Guidelines for public comment are posted in the meeting room.
- B. 6:45 **General Business (Board action requested)**
- i. Karen Evans, Finance Officer
    - a. Financial Statements Consulting Agreement (pages 1-7)
    - b. Indirect cost report proposal and agreement (pages 8-35)
  - ii. Unsolicited offer to purchase – Utility trailer (\$600)
  - iii. 2020 Census Complete Count Resolution (pages 36-37)
  - iv. Resolution to Stop Single Stream Cuts (pages 38-40)
  - v. Alleghany County Transportation Agreement (pages 41-43)
- C. 7:00 **Consent Agenda** (Board action requested)
- i. Transportation Fund budget amendment #7 in the amount of \$9,145 to budget for transfer from General Fund (page 44)
  - ii. General Fund budget amendment #45 in the amount of \$9,145 to budget for transfer to 40 Fund (page 45)
- D. 7:05 **Public Comments:** Citizens are encouraged to comment at this time on any item(s) requiring the attention of the Commissioners. Guidelines for public comment are posted in the meeting room.
- E. 7:15 **Interim County Manager Comments**
- i. Sparks Hill Road
  - ii. Road sign update
  - iii. Bidding policy

- F. **County Commissioner Comments**
- G. **Request for Closed Session pursuant to G.S. 143-318.11(a)(3) legal**
- H. **Adjourn**



*SIDNEY B. MASHBURN*  
CERTIFIED PUBLIC ACCOUNTANT  
THE MASHBURN BUILDING  
MARSHALL, NC 28753

P. O. BOX 98  
MARSHALL, NC 28753

TELEPHONE  
828-649-3434

August 15, 2019

Board of Commissioners  
Alleghany County, North Carolina  
P. O. Box 366  
Sparta, NC 28675

Dear Board of Commissioners:

The purpose of this letter is to set forth the understanding of my engagement to provide consulting services listed below to the County of Alleghany for the year ended June 30, 2019.

I will provide the following consulting services:

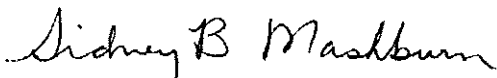
I will read and approve the financial statements, related notes and adjusting journal entries of the County of Alleghany, North Carolina as prepared by your independent auditors for the year ended June 30, 2019. I will also assist you in determining the completeness and accuracy of your financial statements and that they are adequately supported by the underlying books and records of the County.

Please note that I will not be performing an audit, review or compilation of the financial statements, and no accountant's report will be prepared or submitted.

Fees for these services will be based on the time expended, including travel, if any, at the rate of \$50.00 per hour unless otherwise mutually discussed and agreed to in writing.

If this letter complies with your understanding, please sign a copy of the letter in the space provided and return it to me at [msbmash@aol.com](mailto:msbmash@aol.com) or P. O. Box 98, Marshall, N.C. 28753.

Sincerely,



Sidney B. Mashburn, CPA

Agreed and Accepted:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

## CONSULTING SERVICES AGREEMENT

By and Between  
Alleghany County, NC

And

MGT of America Consulting, LLC

**THIS AGREEMENT** is made this \_\_\_ day of \_\_\_\_\_ 2019, by and between Alleghany County, NC ("Client"), and MGT of America Consulting, LLC, a Florida Corporation ("MGT").

In consideration of the mutual covenants set forth in this Agreement, the parties agree as follows:

### 1. Description of Services.

MGT shall, as an independent contractor, provide the services specified in section 1.1 below ("the Services"), on the schedule specified in section 1.2 below.

#### 1.1 Scope of Services

MGT shall provide to Client the following services:

MGT agrees to develop a Cost Allocation Plan for the fiscal year ending June 30, 2019, with an option for additional audit resolution and other services, in accordance with the requirements of the Client and other applicable guidelines. Tasks to include: 1) Review and analyze the Client's financial data; 2) Identify and analyze appropriate allocation bases; 3) Develop cost plan structure; 4) Promptly respond to questions regarding cost plan and process; and 5) Prepare cost plan and roll forward calculation, within in timeframes required by the Client.

#### 1.2 Timetable for Services.

The Services shall be performed and the product(s) of the services shall be delivered on the following schedule:

A draft cost plan will be available by March 31, 2020, and the final plan will be available by May 31, 2020. This is dependent on the client providing necessary information on a timely basis and can be modified to meet client needs (for example, if a delay occurs because the Client cannot provide all information needed as quickly as anticipated or desires more time to resolve issues).

### 2. Compensation.

For its work under this Agreement, MGT shall be paid a total amount of three thousand five hundred dollars (\$3,500.00), inclusive of expenses. The Client may exercise an option for additional services for audit/issue resolution. The fee is due and payable upon submission of the final document to the Client by MGT. Payment shall be remitted by the Client within thirty (30) days of receipt of an appropriate invoice from MGT. MGT may elect to bill 80% with the draft if the anticipated finalization date will be longer than one month from the draft date.

No payment shall be withheld or delayed by Client when, or to the extent that, such delay is the result of Client's failure promptly to review and accept the product of the Services or to perform any act necessary for MGT to proceed or continue with providing the Services.

### 3. Term and Termination.

This agreement shall become effective upon its execution and delivery by the parties and shall remain in effect until completion of, and full payment for, the Services. For recordkeeping purposes,



the term of this Agreement shall be from the date first written above through the same date plus one year. This contract may be terminated prior to completion of the Services at the option of either party, upon delivery of written notice by the terminating party to the other party. In the event of early termination by Client, MGT shall be paid, upon invoicing in accordance with this Agreement, the agreed compensation (or if, due to termination, there is no agreed value for the services performed to date, MGT's standard hourly rates) for Services performed, plus expenses incurred, prior to termination, but not more than three thousand five hundred dollars (\$3,500).

#### **4. Independent Contractor Status**

The relationship of MGT to Client is that of an independent contractor, and nothing in this Agreement shall be construed as creating any other relationship. As an independent contractor, MGT shall comply with all laws relating to federal and state income taxes, associated payroll and business taxes, licenses and fees, workers compensation insurance, and all other applicable state and federal laws and regulations. Neither MGT nor anyone employed or subcontracted by MGT shall be, represent, act, purport to act, or be deemed to be an agent, representative, employee or servant to Client.

#### **5. Project Managers**

Parul Patel shall serve as MGT Project Manager and point of contact for MGT under this Agreement. Karen Evans shall serve as Client Project Manager and point of contact for Client under this Agreement. By written notice to the other party, either party may change the identity of its project manager during the term of this Agreement.

#### **6. Miscellaneous**

##### **6.1 No Continuing Waiver**

The failure or forbearance by either party in exercising any remedy available to it upon a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent or continuing breach by either party.

##### **6.2 Entire Agreement.**

This written Agreement represents the entire agreement of the parties, and neither party is relying upon any negotiation, representation, warranty, promise, or covenant not set forth in this Agreement. This Agreement may not be modified or amended except by a written instrument for that purpose duly executed by both parties.

##### **6.3 Assignment.**

This contract shall be binding upon and inure to the benefit of both Client and MGT and their respective successors and assigns, if any, and legal representatives.

##### **6.4 Interpretation, Venue, and Severability.**

This agreement shall be construed, interpreted, and enforced in accordance with North Carolina law without regard to conflicts of laws principles. Should any provision of this Agreement be held invalid or unenforceable by final judgment of a court of competent jurisdiction, it is the parties' intention that the remainder of this Agreement shall nevertheless be given effect as written. Any action arising out of or relating to this Agreement may be brought only in the North Carolina state court having jurisdiction and located in Alleghany County, North Carolina. If more than one party executes this Agreement as Client, then each such party shall be jointly and severally responsible for Client's performance and payment under this Agreement.

**6.5 Prior Performance.**

Services performed by MGT pursuant to Client's authorization, but before execution of this Agreement, shall be considered as having been performed pursuant to the terms and conditions of this Agreement.

**6.6 Notices.**

All written notices, demands or requests pursuant to this Agreement may be served (as an alternate to personal service) by registered or certified mail or air freight services that provide proof of delivery, with postage and fees thereon fully prepaid, and addressed to the parties so to be served as follows:

If to MGT:

MGT of America Consulting, LLC  
(MGT Consulting Group)  
4320 W. Kennedy Blvd, Suite 200  
Tampa, FL 33609

If to Client:

Finance Director  
Alleghany County  
PO Box 366  
Sparta, NC 28675


Service of any such notice or demand so made by mail shall be deemed complete on the day of actual delivery as shown by the addressee's registry or certification receipt. Either party hereto may, from time to time, by written notice served upon the other as aforesaid, designate a different mailing address, or (a) different or additional person(s) to which or to whom all such notices or demands are thereafter to be addressed. Persons named to receive copies of notices are listed for accommodation only and are not required to be personally served to comply with service of notice on a party.

IN WITNESS WHEREOF, this agreement has been executed and delivered by:

Alleghany County, NC

MGT of America Consulting, LLC

By: \_\_\_\_\_

By: 

As its: \_\_\_\_\_

J. Bradley Burgess as its Vice President

Address: PO Box 366  
Sparta, NC 28675

4320 W. Kennedy Blvd, Suite 200  
Tampa, FL 33609

FEID: 56-6000017 \_\_\_\_\_

FEID: 81-0890071 (for invoicing)  
W-9 FEID: 81-0878597

MGT invoice address for payments:  
PO Box 17780 Clearwater, FL 33762-0780

**PRE-AUDIT CERTIFICATION**

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Finance Director

\_\_\_\_\_  
Date



W-9

# Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type  
See Specific Instructions on page 7

1 Name (as shown on your income tax return). Name is required on this line, do not leave this line blank.

MGT OF AMERICA, LLC

2 Business name or disregarded entity name, if different from above

MGT OF AMERICA CONSULTING, LLC

3 Check appropriate box for federal tax classification; check only one of the following seven boxes

- Individual/sole proprietor or single-member LLC
- C Corporation
- S Corporation
- Partnership
- Trust/estate
- Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
- Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
- Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) \_\_\_\_\_  
Exemption from FATCA reporting code (if any) \_\_\_\_\_  
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

616 NORTH ADAMS STREET 4320 W. Kennedy Blvd.

6 City, state, and ZIP code

TALLAHASSEE, FLORIDA 32304 Tampa, FL 33609

Requester's name and address (optional)

7 List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note: If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number

			-			
--	--	--	---	--	--	--

OR

Employer identification number

8	1	-	0	8	7	8	5	9	7
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## Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions:** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign this certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here

Signature of U.S. person

Date

9/18/10

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments:** Information about developments affecting Form W-9 (such as amendments enacted after we release this at [www.irs.gov/irb](http://www.irs.gov/irb)).

### Purpose of Form

A recipient or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN) to report on an information return the amount paid to you or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-1 (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing this filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of a partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

STATE OF NORTH CAROLINA

Alleghany County  
County/Municipality/Agency

AFFIDAVIT OF COMPLIANCE WITH N.C. E-VERIFY STATUTES  
(To be submitted with all bids)

I, J. Bradley Burgess (hereinafter the "Affiant"), duly authorized by and on behalf of MGI of America Consulting, LLC (hereinafter the "Employer") after being first duly sworn deposes and says as follows:

1. I am the Executive Vice President (President, Manager, CEO, etc.) of the Employer and possess the full authority to speak for and on behalf of the Employer identified above.
2. Employer understands that "E-Verify" means the federal E-Verify program operated by the United States Dept. of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law.
3.  Employer employs 25 or more employees, and is in compliance with the provisions of N.C. General Statute §64-26. Employer has verified the work authorization of its employees through E-Verify and shall retain the records of verification for a period of at least one year.
- Employer employs fewer than 25 employees and is therefore not subject to the provisions of N.C. General Statute §64-26.
4. All subcontractors engaged by or to be engaged by Employer have or will have likewise complied with the provisions of N.C. General Statute §64-26.
5. Employer shall keep the State of North Carolina informed of any change in its status pursuant to Article 7 of Chapter 64 of the North Carolina Statutes.

This 28<sup>th</sup> day of May, 2019.

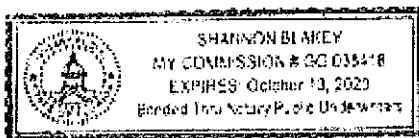
  
\_\_\_\_\_  
Signature of Affiant

J. Bradley Burgess, Executive Vice President  
Printed Name and Title

State of Florida

County of Leon

Subscribed and sworn to before me this 28<sup>th</sup> day of May, 2019.



Notary Public Blakey

My Appointment Expires 10-13-2020

(SEAL)

STATE OF NORTH CAROLINA

Alleghany County  
County/Municipality/Agency

IRAN DIVESTMENT ACT CERTIFICATION

In accordance to N.C.G.S. 147-86.59, any contractor attempting to contract with the State of North Carolina, North Carolina local governments, or any other political subdivision of the State of North Carolina shall certify at the time of the bid or renewal that the assignee or contractor is not identified on a list created by the State Treasurer pursuant to N.C.G.S. 147-86.58.

The Iran Divestment Act of 2015, G.S. 147-86.55 et seq. \* requires that each contractor, prior to contracting with the State certifies, and the undersigned on behalf of the contractor does hereby certify, to the following:

1. that the Contractor is not identified on the Final Divestment List of entities that the NC State Treasurer has determined engages in investment activities in Iran.
2. that the Contractor shall not utilize on any contract with the State agency any subcontractor that is identified on the Final Divestment List; and
3. that the undersigned is authorized by the contractor to make this certification.

The agency shall include the certification in the procurement record

The State Treasurer's Final Divestment List can be found on the State Treasurer's website at the address:

<http://www.nctreasurer.com/treasure-the-department/Open-Government/Pages/Iran-Divestment-Act-Resources.aspx>

and will be updated every 180 days. For questions about the Department of State Treasurer's Iran Divestment Policy,

please contact Meryl Murtagh at [Meryl.Murtagh@nctreasurer.com](mailto:Meryl.Murtagh@nctreasurer.com) or (919) 814-3852.

\* Note: Enacted by Session Law 2015-118 as G.S.143C-55 et seq., but has been renumbered for codification at the direction of the Reviser of Statutes.

[Signature]  
Contractor Signature

May 28, 2019  
Date

J. Bradley Burgess  
Printed Name

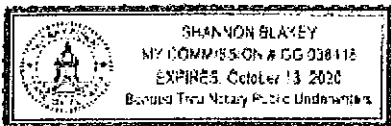
Executive Vice President  
Title

State of F. Pr. Co.

County of Alleghany

Subscribed and sworn to before me this 28<sup>th</sup> day of May, 2019.

LSLAL



Notary Public [Signature]  
My Appointment Expires 10-13-2020

# PROPOSAL

AUGUST 20, 2019



## SUBMITTED TO:

KAREN EVANS

PO Box 366  
SPARTA, NC 28675  
336.372.2826

[Karen.Evans@alleglhanycounty-nc.gov](mailto:Karen.Evans@alleglhanycounty-nc.gov)

# COST ALLOCATION PLAN

ALLEGHANY COUNTY,  
NORTH CAROLINA

## SUBMITTED BY:

PARUL PATEL  
MANAGER

10030 GREEN LEVEL CHRUCH RD

SUITE 802 #1267  
CARY, NC 27519

714.272.3461

[ppatel@mgtconsulting.com](mailto:ppatel@mgtconsulting.com)

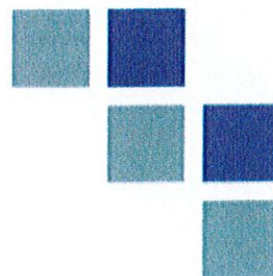


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August 20, 2019

Ms. Karen Evans, Finance Director  
Alleghany County  
P.O. Box 366  
Sparta, NC 28675

**Subject: Proposal to Provide Cost Allocation Services to Alleghany County, NC**

Dear Ms. Evans,

MGT of America Consulting, LLC (MGT) appreciates this opportunity to present our qualifications to prepare the Alleghany County Cost Allocation Plan based on the fiscal year ended June 30, 2019.

MGT is a national research and management consulting firm specializing in providing management and financial services to public-sector clients. Founded in Tallahassee, Florida, in 1974, MGT has grown to include regional offices around the US, **including a local office in Cary, North Carolina**. The firm's staff of over 100 professionals brings a wealth of knowledge and depth of understanding to all client engagements, delivering the highest quality and timely services to clients.

Over the past 45 years, MGT has successfully served more than 3,200 clients in 48 states and several foreign countries. The MGT mission "to improve the efficiency and effectiveness of governments, nonprofits, and other organizations serving the public" is supported by the capacity to deliver an extensive range of services to clients.

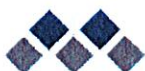
The goal of this proposal is to provide the County with the confidence that MGT has:

- ◆ the highest level of interest in this project,
- ◆ the very best people to provide this service, and
- ◆ the tools to complete the project in a timely, professional manner.

This cover letter supplements our attached proposal by summarizing three advantages of selecting MGT to provide the requested services.

1. MGT is a privately-held firm dedicated to providing cost consulting services for cities, counties, and state governments. MGT consultants are not beholden to corporate directors or outside investors, only our clients.
2. MGT professional and personable consultants do not treat the preparation of a cost allocation plan as routine and simple, but rather as a comprehensive consulting engagement, to include a review of all data and assistance with understanding, communicating and integrating project results.
3. MGT delivers services driven by client satisfaction and maintains a superb client satisfaction rating and every client could serve as a reference.

The attached proposal details our project staff, approach and work plan necessary to not only meet, but to exceed the needs and expectations of the County. In addition to our North Carolina presence and keen understanding of local government, other key benefits to the County having MGT prepare your cost allocation plan include:



- ♦ **Cost Allocation Expertise** – MGT’s project team for this engagement possess 50+ years of combined cost allocation experience.
- ♦ **Compliance** – Every plan prepared by our firm is thoroughly reviewed by MGT’s senior staff. This team has unparalleled experience in preparing compliant plans that meet or exceed the county/state/federal requirements.
- ♦ **Trusted Advisor** – From project kick-off through results presentation of the cost allocation plan, MGT will be the County’s trusted advisor and consultant.

### CURRENT EXPERIENCE WITH OTHER NORTH CAROLINA CITIES AND COUNTIES

The current experience from annually serving other North Carolina cities, counties, and State agencies means the County will receive much more than capability from the proposed project consultants. MGT currently provides cost allocation plan and related user fee services for cities and counties throughout the country.

- ♦ Alleghany County
- ♦ Cabarrus County
- ♦ Camden County
- ♦ Catawba County
- ♦ Craven County
- ♦ Currituck County
- ♦ Davie County
- ♦ Greene County
- ♦ Guilford County
- ♦ Herford County
- ♦ Hoke County
- ♦ Iredell County
- ♦ Lee County
- ♦ Lincoln County
- ♦ Martin County
- ♦ McDowell County
- ♦ Nash County
- ♦ Pitt County
- ♦ Polk County
- ♦ Randolph County
- ♦ Richmond County
- ♦ Robeson County
- ♦ Rockingham County
- ♦ Rowan County
- ♦ Stokes County
- ♦ Warren County
- ♦ Wayne County
- ♦ Wilson County
- ♦ City of Gastonia
- ♦ City Greensboro
- ♦ City of Hickory
- ♦ City of High Point
- ♦ City of Raleigh
- ♦ City Salisbury
- ♦ City of Winston-Salem
- ♦ Town of Cary
- ♦ Town of Holly Springs
- ♦ NC Housing Finance Agency
- ♦ NC Environmental Quality



The current experience from annually serving other North Carolina cities and counties means Alleghany County will receive much more than capability from the proposed project consultants. The County will also receive the following beneficial information:

#### CURRENT EXPERIENCE WITH OTHER NORTH CAROLINA CITIES AND COUNTIES

- Current events in other NC cities and counties and throughout the U.S.
- How other county departments in NC and throughout the U.S. are applying cost allocation.
- Current trends in budgeting in other counties in NC and throughout the U.S.
- Federal and state audits and audit findings in other counties in NC and throughout the U.S.
- Cost allocation best practices from other counties in NC and throughout the U.S.
- Fresh ideas gleaned from situations in other counties in NC and throughout the U.S.

In summary, we are confident that Alleghany County will be pleased with a decision to continue to engage MGT. We believe the advantages of choosing MGT summarized in this letter, and detailed in the attached proposal, will lead the County to conclude that MGT offers the best option to provide the requested services.

**We strongly believe in using very experienced staff to provide quality work that will meet your needs and be completed within in your desired timeframes.**

MGT proposes to complete your cost allocation plan for a fee of three thousand five hundred dollars (\$3,500) per year. If you would like MGT to prepare your cost plan, please print the contract sent under separate cover, sign, scan and email to [ppatel@mgtconsulting.com](mailto:ppatel@mgtconsulting.com).

Sincerely,



Parul Patel  
Manager  
MGT Consulting Group



J. Bradley Burgess  
Executive Vice President  
MGT Consulting Group

## BACKGROUND AND UNDERSTANDING

Local agencies are responsible for administering programs funded by local, state, and federal funds. The County can recover administrative and support (indirect) costs incurred on grant, enterprise and other operations through development of a cost allocation plan and the application of indirect cost rates. The recovery of indirect costs from state or federally funded programs must be accomplished in accordance with applicable policies and procedures as presented in 2 Code of Federal Regulations, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

2 CFR Part 200 requires a governmental entity wishing to recover costs of agency administration and support services from federally funded programs to annually prepare a cost allocation plan (CAP). The CAP must include documentation on all costs that are billed to or recovered from federally funded programs utilizing an allocation or billing methodology, and/or through the utilization of an indirect cost rate. At a minimum, it must include a certification, central services cost allocation plan, schedules reconciling costs to an agency's official financial statements, and documentation of any billed or allocated costs.

*Our work approach and methodology incorporate not only a deep understanding of 2 CFR Part 200 but also the practical applications of the principles and guidelines relative to each jurisdiction and specific situation.*

The County is requesting the preparation of a 2 CFR Part 200 compliant CAP that will be used to recover indirect costs. MGT will present, negotiate, and secure approval of the resulting CAP to local, state or federal cognizant agencies as may be required.

Cost allocation plans are more than simply updating expenditure and statistical data from the prior year which was simply an update from the year before that. Rather, MGT cost allocation plans are a series of complex calculations that require an understanding of each jurisdiction's financial reports, administrative structure, and operational services and programs. Perhaps above all else, the cost allocation plans must adhere to 2 CFR Part 200 and GAAP.

For cost allocation plans, 2 CFR Part 200 and GAAP has one over-arching requirement: the cost allocation plans must provide a distribution of costs that is fair and equitable to all recipients of the centralized administrative and support services irrespective of the potential for reimbursement. However, there can be, and often are, different understandings of the principles and guidelines included in 2 CFR Part 200 and GAAP.



The common perception of 2 CFR Part 200 is that it is a set of concrete rules applied categorically in every situation. Unfortunately, 2 CFR Part 200 is a document written subject to interpretation. Therefore, our work approach and methodology incorporate not only a deep understanding of 2 CFR Part 200 but also the practical applications of the principles and guidelines relative to each jurisdiction and specific situation.

MGT project members have extensive knowledge and negotiation skills with both preparing and defending cost allocation plans with various state and federal agencies including North Carolina. The knowledge we have acquired through our prior experiences with state and federal negotiators will enable us to obtain the best possible results for the County in the event of an audit or challenge.

*MGT project members have extensive knowledge and negotiation skills with both preparing and defending cost allocation plans with various state and federal agencies, including years of experience with North Carolina Counties.*

## PROJECT WORKPLAN

This section of the proposal identifies MGT's approach for preparing the County's indirect cost allocation plans, using the following tasks. The cost allocation plan will document the costs of central service overhead on the County's operating department(s). Following are the steps involved with preparing a 2 CFR Part 200 cost allocation plan.

### 1. PROJECT INITIATION

MGT staff will schedule a conference call with County staff to initiate the project. This meeting will refine the specific objectives, requirements, measurements, and schedule of the project. This meeting will also help the project consultants understand the unique aspects of the County including the organizational and structural changes from prior years. MGT will also review the County's last cost allocation plans during this meeting and will gather additional information. MGT will provide the County with a preliminary data request.

### 2. DATA IDENTIFICATION, COLLECTION AND REVIEW

Data requirements will not change significantly from year to year and will include: expenditure report; various counts to include personnel and transactions; lists of selected staff salaries; fixed assets records; etc. MGT will

work with the staff to identify and gather needed data in the most optimal way possible. The project is priced assuming that County staff will maintain a list (with examples) and gather, summarize, and email information known to be needed for the cost plan, and will keep a backup/folder of all cost plan data provided each year so that staff will know the source of all information used in the cost plan in the event of questions from County staff and/or auditors.

### 3. COST ALLOCATION PLAN DEVELOPMENT

- Using the County's organizational structure, budget and staffing information, MGT will determine the basic structure of the cost allocation plans, identifying central service (or allocating) departments and operating (or receiving) departments. Personnel Staffing Analysis (PSA) worksheets will be created to assist in dividing departments into functions will be completed. The PSA provides a defensible basis for the distribution of department costs into department functions.
- Functions will be determined based on timesheets, assignments, activities, or other allowed methods. Once staff members and their corresponding salaries are distributed into functions, other department costs, such as materials and supplies, will also be distributed into the same functions. This task breaks a department into functional cost pools, which can then be allocated throughout the County using meaningful, measurable, and auditable allocation bases.
- Distribute the allowable costs in each central service department, and the incoming costs into each central service department, into the functions determined. Incoming costs are the costs from other central service departments determined by a double step-down calculation. The distribution of allowable department costs and incoming costs will determine the total cost of providing each distinct service within each central service department.
- This step utilizes a feature in the MGT proprietary cost allocation software not available in most other cost allocation plan software. The MGT proprietary cost allocation software can analyze, display, and allocate the indirect costs of each central service department in detail. This detail facilitates review, explanation, and understanding of incoming costs which leads to reduced errors, fewer reruns of reports, and the ultimate acceptance and approval of the cost allocation plans.
- Determine an appropriate allocation base for each function in each central service department. This determination will serve as the basis for allocating the allowable costs in each function to the recipients of the service. Project consultants will request corresponding transaction data from central service department personnel.
- Central service departments will allocate costs to all County departments and funds. This allocation methodology ensures the fairest and accurate distribution of costs as opposed to a methodology that singles out departments or funds for maximum allocation.



#### 4. PROCESS DRAFT COST ALLOCATION PLAN/INTERNAL REVIEW

Process the draft cost allocation plans using the MGT proprietary cost allocation software. The cost allocation plan will include summary and detail reports. The summary report will provide information on the dollar amounts allocated from each central service department to every receiving department. The detailed reports in the cost allocation plans provide information on the expenditures, allowable costs, incoming costs, personnel distribution, functions, and allocation bases for every central service department.

The MGT proprietary cost allocation software incorporates a double step-down methodology, is technical and detailed, has a self-auditing feature, and has been used for over 300 cost allocation plans in the past five years—many submitted for federal and state approval.

The Microsoft Windows-based MGT proprietary software is written in a relational database and uses Microsoft Excel as a report writer. This platform provides unlimited flexibility in calculating, formatting, and reporting information. Charts and graphs can be used to explain and illustrate allocation information. Statistical information is automatically produced that compares allocation totals to receiving departments (funds) from year to year.

The project manager and advisor will have several review steps during the life of the project, while the project director will undertake an internal review process to raise the accuracy of the cost allocation plans and ensure County personnel do not waste time reviewing substandard or incomplete work.

When preliminary results are obtained, MGT will conduct phone calls with interested parties in the County to go over the plan and to ensure that no costs included in the proposed costs will be handled differently in the year for which the plan proposes. MGT consultants believe that this is an important step in the process and strive to ensure that clients feel comfortable with the plan preparation and the results. An onsite visit may be scheduled.

#### 5. REVISE DRAFT REPORT AND FINALIZE PLAN

Following the discussion of the draft results, MGT will revise the plan as required and prepare the final pdf version, the information to file with the state, and two hard copies (if desired). If the County requires additional runs of the plan after it considered final (for example, due to reorganizations, incorrect data provided, etc.), MGT will discuss amending the contract for the additional services requested.

#### 6. PROVIDE IMPLEMENTATION GUIDANCE AND ASSISTANCE

Defend and represent the County for a period of five years, from the date of the last plan submitted and approved, should the plan be audited by Federal or State representatives.



## STAFF AND PROJECT ORGANIZATION

MGT understands jurisdictions like the County. We do more cost allocation plans than any other firm. Our consultants have a wealth of experience designing new cost allocation plans and rate charging formats, which will be a critical knowledge base for this assignment. In addition to our experience and technical expertise, one of MGT's greatest strengths is our consultants' ability to communicate effectively with our clients, from direct operational staff that provide these services, up to managers, directors, and elected officials.

Our project team has completed thousands of indirect cost studies during their long careers. Our team has submitted and negotiated these projects with federal and state cognizant agencies such as, USDHHS, USDOJ, USHUD, USDOJ, USEPA, USDOT, USDOE, and the FAA.

The MGT proposed project team includes:

### MR. BRET SCHLYER, PROJECT DIRECTOR

[BSCHLYER@MGTCONSULTING.COM](mailto:BSCHLYER@MGTCONSULTING.COM) | 316.214.3163

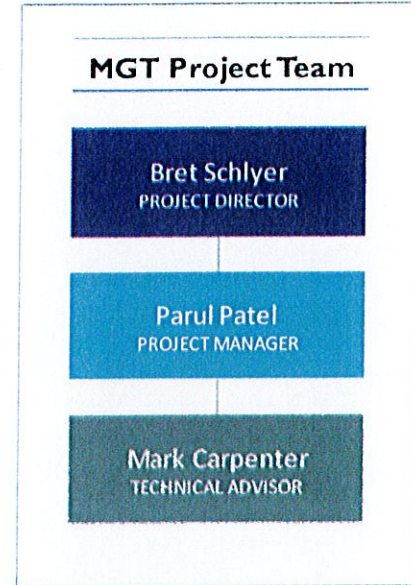


Mr. Schlyer is a Vice President with MGT Financial Solutions. He will serve the County as project director. In this role, he will have responsibility for reviewing project deliverables and will be responsible for ensuring that this project is staffed properly. His participation is to oversee all day-to-day activities, provide formal status reports to County staff and will make sure that the project stays on schedule. He will ensure that the County is unconditionally satisfied with the services received from MGT consultants.

Mr. Schlyer has over 25 years of public-sector consulting experience. He joined MGT in 2008 after holding consulting positions with the Financial Services Division of MAXIMUS, Inc. for over 14 years. He also has extensive experience in assisting state agencies and local governments in the preparation and submission to federal cognizant agencies of indirect cost rates and indirect cost allocation plans. He has completed several annual ISF, CAP, and indirect cost rate projects for state agencies over the course of his career.

Mr. Schlyer currently provides 2 CFR Part 200 cost allocation plans and indirect cost rates for more than 20 public agencies across the US, including annual projects with the North Carolina Department of Environmental Quality.

As a result of his experiences, Mr. Schlyer is nationally recognized as an authority on federal cost principles and its impact on state and local governments. He has made numerous presentations and published articles for governmental organizations on the development and application of federal cost allocation plans, indirect cost rates, and charge-back rates. He has provided training at several state Association of Governmental Accountants and Governmental Finance Officer Association professional development conferences. In addition, he has given presentations on federal costing principles, cost analysis, and cost



recovery subjects to state agencies and local entities in Alabama, Arizona, Colorado, Florida, Kansas, Louisiana, Nebraska, New Jersey, New Mexico, and Oklahoma.

**MS. PARUL PATEL, PROJECT MANAGER**

[PPATEL@MGTCONSULTING.COM](mailto:PPATEL@MGTCONSULTING.COM) | 714.272.3461



**Located in Cary, North Carolina**, Ms. Parul Patel will serve as the project manager for this engagement. In this role Ms. Patel will attend any on-site meetings, training and coordination over the life of this engagement. She will assist with department interviews, scheduling, data collection, follow up phone calls and e-mails and will prepare all deliverables. Ms. Patel will also closely monitor the project timeline against milestones and deadlines.

Ms. Patel is a Manager with MGT and brings exceptional organizational and interpersonal skills to this study. She is an MBA with over 14 years of experience providing public-sector consulting services. She has a background in local government consulting focusing on cost allocation development, indirect cost rates and user fee calculations. She has acquired an extensive knowledge cost plan requirement through her management of and/or participation on nationwide CAP and ICRP projects for local and state agencies. Her range of experience includes cost allocation plans (2 CFR Part 200), full cost allocation plans (GAAP), user fee studies, indirect cost rate proposals, and financial reporting and analysis.

**MR. MARK CARPENTER, TECHNICAL ADVISOR**

[MCARPENTER@MGTCONSULTING.COM](mailto:MCARPENTER@MGTCONSULTING.COM) | 214.770.7153



Mr. Carpenter will serve as the technical advisor for this engagement. In this role, will be available, as needed, to ensure completion of the scope of services in the required time. His primary responsibilities will to be to provide technical guidance, to review documents and work papers, and to assist with any negotiations with the state or federal cognizant agency.

Mr. Carpenter is a Director with MGT and has 29 years of experience in public sector financial consulting. His range of experience includes 2 CFR Part 200 cost allocation plans, indirect cost rate proposals, user fee studies, long-range financial forecasting, jail rate studies, and management audits of a wide variety of departments and functions at both the state and local government levels. In addition, he began his career working for the Office of Management Services in the City of Fort Worth and then later moved to the Police Department as the Fiscal Services Administrator.

**RESUMES**

Resumes for project staff are included on the pages that follow.





## BRET SCHLYER

Vice President, Financial Services  
MGT CONSULTING GROUP | bschlyer@mgtconsulting.com

Mr. Schlyer is a Vice President assigned to the MGT Financial Services division. He has over 25 years of experience with state and local programs and organizations. His prior work experiences with the Kansas Corporation Commission and consulting project experiences have provided him with both theoretical and practical experience in the analysis and costing of governmental operations. Through his participation on numerous state and local government management and costing projects, he has developed extensive experience with federal cost determination standards; generally accepted accounting principles and procedures; and governmental budgeting, finance, accounting, and operations.

### AREAS OF EXPERTISE

- Development of cost allocation plans (CAPs) in accordance with generally accepted accounting principles (GAAP).
- Development of CAPs in accordance with federal principles.
- Development and negotiation of statewide cost allocation plans (SWCAPs).
- Development and negotiation of charge-back rate methodologies and rates, including for State Information Technology agencies.
- Development and negotiation of indirect cost rate proposals (ICRPs).
- Development of indirect cost policies, procedures, and models for sub-grantees.
- Development and review of sub-grantee indirect cost rates.
- Development of activity based cost of services and user fee studies.
- Development and implementation of random moment sampling systems and other personnel activity reporting systems.
- Development and negotiation of jail rate studies and U.S. Federal Marshal daily housing costs.
- Development and negotiation of implementation plans and quarterly claims associated with county Title IV-E activities.
- Assisting agencies in maximizing general fund cost recoveries from federally funded programs, enterprise and special revenue funds, and other non-general fund sources.
- Developing claims for reimbursement from the State Criminal Alien Assistance Program (SCAAP) program.

### EDUCATION

B.S., Business Accounting, University of Kansas

### WORK EXPERIENCE

MGT Consulting Group (MGT of America Consulting, LLC), Vice President, Financial Services, 2008-Present

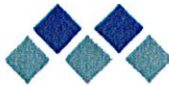
Maximus, Inc., Director, Financial Services Division, 2000-2008

David M. Griffith & Associates, LTD. (DMG), Consultant, 1994-1998

Kansas Corporation Commission, Administrative Officer, 1993

### STATE GOVERNMENT EXPERIENCE

Mr. Schlyer has extensive experience and knowledge of 2 CFR Part 200 and its application and relevance to state governments in a variety of settings including the development and negotiation of cost allocation plans (CAP), state wide cost allocation plans (SWCAPs) and indirect cost rate proposals (ICRP). He also has experience with implementing and administering random moment sampling systems, and rate setting and administrative claiming for the Medicaid program.



**BRET SCHLYER**

*Vice President, Financial Services*  
MGT CONSULTING GROUP | bschlyer@mgtconsulting.com

**Mr. Schlyer's SWCAP clients have included:**

- Kansas Department of Administration – SWCAP. Assisted with the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- Louisiana Office of Statewide Reporting & Accounting Policy – SWCAP. Responsible for the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- Nevada Department of Administration – SWCAP. Responsible for the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- New Mexico Department of Administration – SWCAP. Assisted with the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- North Dakota Department of Fiscal Management – SWCAP. Responsible for the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- Oklahoma Office of State Finance – SWCAP. Assisted with the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- Washington Office of Financial Management – SWCAP. Responsible for the annual preparation of the State's SWCAP. Annually negotiated with and approved by the U.S. Department of Health and Human Services.

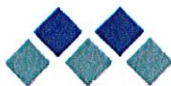
**Mr. Schlyer's State rate setting clients have included:**

- Alaska Division of Enterprise Technology Services – Billed Services Methodology Review. Responsible for reviewing the SWCAP Section II billed services methodology for the division and determining areas for improvement.
- Alaska Division of Enterprise Technology Services – Billed Services Rate Model Development. Developed an Excel-based rate model for the Division to calculate billed services rates based on budgeted and actual costs of providing services.
- Kansas Department of Social and Rehabilitation Services – Rate Setting. Developed market-based service rates for Medicaid Targeted Case Management services.
- Louisiana Office of Computing Services – Cost Allocation & Rate Development. Responsible for preparing budget-based cost allocation model each fall to set rates for the department. Project also includes a cost allocation plan based on actual expenditures each spring to calculate the profit/loss by line of service.
- Louisiana Division of Administrative Law – Created rate model and billing methodology for the Division to charge customers for judicial services provided by the Division in accordance with 2 CFR Part 200.
- North Carolina Office of Administrative Hearings – Reviewed the Office's existing cost allocation methodology and provided recommendations for improvements to align the calculations with 2 CFR Part 200 requirements.

**Mr. Schlyer's State cost allocation and indirect cost rate clients have included:**

- Arizona Department of Game & Fish – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Interior.
- Arizona Department of Forestry – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rates. Annually negotiated with and approved by the U.S. Department of Agriculture.

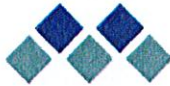




## BRET SCHLYER

*Vice President, Financial Services*  
MGT CONSULTING GROUP | bschlyer@mgtconsulting.com

- Arizona Governor's Office – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rate proposal. Annually negotiated with and approved by the U.S. Department of Justice.
- Arizona Attorney General – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rate proposal. Annually negotiated with and approved by the U.S. Department of Health & Human Services.
- Florida Agency for Workforce Innovation – WIA Sub-Grantee Policies and Procedures. Assisted in the development of policies and procedures to be utilized by Florida regional workforce boards (RWB) to annually develop Workforce Investment Act (WIA) and 2 CFR Part 200 compliant cost allocation plans (CAP) for one-stop centers; and the development of policies and procedures to be followed by the Agency in annually reviewing and approving the CAPs. The project also included the provision of three one day training seminars for the RWBs, the review and written analysis of the initial cost allocation plans and resource sharing agreements submitted to the Agency by each RWB, and recommendations for approval or disapproval by the Agency for each RWB CAP with any deficiencies identified and correction actions to remedy any deficiency identified.
- Alaska Department of Community Commerce and Economic Development – ICRP and User Fee Study. Prepared indirect cost rate proposal and a user fee study for divisions within the department.
- Kansas Corporation Commission – ICRP. Responsible for the preparation and negotiation of the Commission's annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of Energy.
- Kansas Department of Agriculture – ICRP. Assisted with the preparation of the Department's annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Agriculture.
- Kansas Department of Commerce – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Labor.
- Kansas Department of Labor – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Labor.
- Kansas Department of Health & Environment – ICRP. Responsible for the preparation and negotiation of the Department's annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- Kansas Department of Wildlife, Parks & Tourism – ICRP. Responsible for the preparation and negotiation of the Department's annual indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Interior.
- Kansas Historical Society – ICRP. Assisted with the annual preparation of the Society's annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Interior.
- Louisiana Department of Corrections – ICRP. Assisted with the preparation of the Department's annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of Justice.
- Louisiana Department of Transportation and Development – ICRP. Prepared the Department's annual indirect cost rates. Annually negotiated with and approved by the U.S. Department of Transportation, Federal Highway Administration.
- Louisiana Department of Labor – WIA Sub-Grantee Policies and Procedures. Assisted in the development of policies and procedures to be utilized by Louisiana regional workforce boards (RWB) to annually develop Workforce Investment Act (WIA) and 2 CFR Part 200 compliant cost allocation plans (CAP) for one-stop centers; and the development of policies and procedures to be followed by the Department in annually reviewing and approving the CAPs. The project also included the provision of a training seminar for the RWBs and the preparation of CAPs for the



## BRET SCHLYER

*Vice President, Financial Services*  
MGT CONSULTING GROUP | bschlyer@mgtconsulting.com

Bastrop Job Center, Calcasieu Workforce Center, Hammond One-Stop Center, Jefferson Parish One-Stop Center, and New Orleans One-Stop Center. These CAPs were subsequently provided to other RWBs as examples.

- Louisiana Department of Natural Resources – ICRP. Responsible for the preparation and negotiation of the Department’s annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Environmental Protection Agency.
- Louisiana Department of Public Safety – ICRP. Assisted with the preparation of the Department’s annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of Justice.
- Louisiana Department of Wildlife & Fisheries – ICRP. Assisted with the preparation of the Department’s annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of the Interior.
- North Carolina Department of Environment & Natural Resources – ICRP. Responsible for the preparation of the annual cost allocation plan and indirect cost rate development for the Department. Annually negotiated with and approved by the U.S. Environmental Protection Agency.
- Ohio Department of Health – ICRP. Responsible for the preparation and negotiation of the Department’s annual cost allocation plan and indirect cost rates. Annually negotiated with and approved by the U.S. Department of Health and Human Services.
- Washington Student Achievement Council – ICRP. Responsible for the preparation and negotiation of the Department’s cost allocation plan and indirect cost rate proposal. Negotiated with the U.S. Department of Education.
- Texas Secretary of State – ICRP. Responsible for the preparation and negotiation of the Department’s indirect cost rate proposal. Negotiated with the U.S. Election Assistance Commission.

### LOCAL GOVERNMENT AND NOT-FOR-PROFIT EXPERIENCE

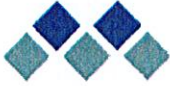
Mr. Schlyer also has significant experience with local government and not-for-profit cost recovery operations through his career. Specific types of projects he has managed include:

- Development of Federal and GAAP (Full Cost) allocation plans and indirect cost rate proposals.
- Development of Activity Based Costing and User Fee models
- Charge back rate studies for internal service funds
- Jail Per-diem Rate Studies
- Administrative claiming for the Medicaid and IV-E programs
- Claims for the State Criminal Alien Assistance Program

His experiences have included managing and preparation of indirect cost rate proposals (ICRP), cost allocation plans (CAP) in accordance with GAAP for the identification of general fund costs provided to non-general fund entities, charge-back rates for billed services, and activity-based cost of service and user fee studies. He has successfully negotiated ICRPs with the U.S. Departments of Health and Human Services, Housing and Urban Development and Education, Department of Education, and the Department of Defense. His responsibilities have included the collection and analysis of organizational, financial and performance data; the preparation of detail and summary reports; negotiation of ICRPs with state and federal agencies; assisting agencies in the application of indirect cost rates; development of cost of service models; development of user fee pricing models; and presenting executive summaries to departments, councils and commissions.

- Completion of ICRP and CAP projects for cities across the US including New Orleans (LA), Tulsa (OK), Wichita (KS), Carrollton (TX), Kansas City (KS), Murrieta (CA), Nashville, (TN), Kalamazoo (MI), and Farmington (NM).



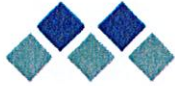


## BRET SCHLYER

*Vice President, Financial Services*  
MGT CONSULTING GROUP | bschlyer@mgtconsulting.com

- Completion of ICRP and CAP projects for counties and parishes including Orange County (CA), Jefferson Parish (LA), Sedgwick County (KS), Shawnee County (KS), Johnson County (KS), Harris County (TX), Bexar County (TX), Galveston County (TX), Los Alamos County (NM), and Yuma County (AZ).
- Completion of cost of service and user fee studies for the City of Miami (FL), Kansas City (KS), Johnson County (KS), Tulsa (OK), Broken Arrow (OK), and the Kansas City Missouri Police Department.
- Developed and submitted to the Texas Juvenile Probation Commission and the Texas Department of Protective and Regulatory Services Department budgets, implementation plans, and quarterly claims on behalf of Texas counties for the reimbursement of costs associated with Title IV-E activities. Texas counties for which services were provided included Bexar, Galveston, and Harris.
- Developed and submitted implementation plans and quarterly claims to the Texas Department of State Health Services, on behalf of Harris County for the reimbursement of costs associated with Medicaid administrative services.
- Developed and submitted for U.S. Federal Marshal approval daily rate proposals for the reimbursement of costs associated with housing federal prisoners for detention facilities in Kansas, Louisiana and Oklahoma. Mr. Schlyer also prepared detailed analyses of county jail costs utilizing activity-based costing principles and developed daily rates to secure reimbursement for county detention services.





**PARUL PATEL**

*Manager*

MGT CONSULTING GROUP | ppatel@mgtconsulting.com

Ms. Patel, a manager for MGT, has an MBA with over twelve years of project management experience in finance/accounting and professional government consulting experience. She has worked with over 75 agencies including states, cities, counties, and special districts on cost accounting projects. She assists agencies in maximizing general fund cost recoveries from federally funded programs, enterprise and special revenue funds. Her range of experience includes the following:

- Government Cost Allocation Plans (Federal Circular OMB A-87)
- Full Cost Allocation Plans (GAAP)
- User Fee Studies
- Indirect Cost Rate Proposals
- Financial Reporting and Analysis

In July 2013, Ms. Patel joined MGT. Prior to joining MGT, she held various consulting positions with MAXIMUS for 7 years. Her experience included project management, financial management and leadership. She has developed and prepared cost allocation plans and indirect cost rate proposals in accordance with Federal principles of GAAP and Circular OMB A-87. She has worked closely with the California State Controller's office and other cognizant agencies in negotiating indirect cost plans and rates. She has trained clients on the application of cost allocation principles and presented to project stakeholders, Council, and local constituents.

#### **AREAS OF EXPERTISE**

- Cost Allocation
- Indirect Cost Rates
- User Fee Studies
- Management Consulting
- Client Training
- Audit/Negotiations

#### **EDUCATION**

**MBA**, Finance & IT, American University

**BS**, Business Management & Finance, North Carolina State University

#### **WORK EXPERIENCE**

**MGT Consulting of America, LLC**, *Senior Consultant*, 2013-present

**Maximus, Inc.**, *Manager, Principal Consultant, Senior Consultant*

**Bearing Point**, *Consultant*





PARUL PATEL

Manager

MGT CONSULTING GROUP | ppatel@mgtconsulting.com

### CLIENT SERVICE HIGHLIGHTS

#### City of Newport News

Ms. Patel has prepared and filed the City of Newport News' annual 2 CFR Part 200 cost allocation plans for the past seven years. The Virginia Department of Social Services has approved all seven plans without exceptions. A few years ago, the City changed its method of budgeting for independent pension (retirement) costs. Ms. Patel worked diligently with the City personnel and VA DSS to identify a solution on how to appropriately handle this change in the cost allocation plan.

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*"On behalf of the City of Newport News, I want to express my appreciation for all the extra effort that you (Parul) have put forth on getting the Cost Allocation Plan to this point. Your diligence on solving this additional glitch in the completion of the Plan is exemplary, and your professionalism in working through all the different aspects of all the changes we have presented to you should be an example to others."*

**Lisa Cipriano, City of Newport News, Virginia**

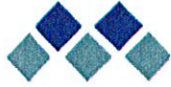
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#### Loudoun County

Ms. Patel has prepared Loudoun County's annual 2 CFR Part 200 cost allocation plans for the past seven years. The plans were successfully filed and approved by the Virginia Department of Social Services. For the past few years, the County has faced several staff transitions. Ms. Patel annually trained inexperienced staff on cost plan methodologies and 2 CFR Part 200 guidelines.

#### Jefferson County Commission

For the past six years, Ms. Patel prepared Jefferson County Commission's full cost allocation plans and the 2 CFR Part 200 cost allocation plans. The County recently changed financial systems, which significantly impacted their cost allocation plan process. Ms. Patel developed detailed accounting code crosswalks and provided strategies for extracting data in the required format. Ms. Patel's assistance provided a seamless transition to the new system and methodology.



## J. MARK CARPENTER

Director

MGT CONSULTING GROUP | [mcarpenter@mgtconsulting.com](mailto:mcarpenter@mgtconsulting.com)

Mr. Carpenter has been performing governmental cost-of-service studies since 1989. Over the past 31 years, he has developed a broad background in local government consulting, with a primary focus on cost allocation development, cost of services and user fee rate development, and management auditing of government operations. He has worked with city, county, state and special district government agencies on cost accounting and mandated cost claiming projects. His range of experience includes the following:

- Government Cost Allocation Plans (2 CFR Part 200, formerly OMB Circular A-87)
- Full Cost Allocation Plans (GAAP)
- User Fee Studies
- Indirect Cost Rate Proposals
- Jail Rate Studies
- Long-range Financial Forecasting
- Dual Taxation Analysis
- Development of Special Taxing and Benefit Districts
- Cost Analysis

In August 2010, Mr. Carpenter joined MGT of America, Inc. Prior to joining MGT, he was a Vice President with the Matrix Consulting Group for four years. Between 1989 and 2006 he held positions of responsibility with MAXIMUS, Inc., DMG-MAXIMUS, and David M. Griffith and Associates, Ltd. (DMG). Before becoming a local government consultant, Mr. Carpenter worked for the City of Fort Worth, Texas as a Management Analyst in the City's Office of Management Services and as the Fiscal Administrator for the Fort Worth Police Department.

### EDUCATION

MPA, University of North Carolina, Chapel Hill  
BA, Davidson College, North Carolina

### WORK EXPERIENCE

**MGT Consulting of America, LLC.** *Senior Associate*, 2010-present

**Matrix Consulting Group**, *Vice President*

**Maximus, Inc.**, *Senior Manager*

**DMG Maximus, Inc.**, *Senior Manager*

**David M. Griffith and Associates, Ltd. (DMG)**, *Senior Consultant*

### PROFESSIONAL AND BUSINESS EXPERIENCE

Mr. Carpenter has personally prepared over 150 cost allocation plans and over 75 user fee and cost of services studies for government clients in 8 States. Specific examples from Mr. Carpenter's experiences are described below:

- 2 CFR Part 200 (formerly OMB Circular A-87) and Full Cost (GAAP) allocation plans for cities and counties ranging in population from a few thousand to over two million. Many of these plans included strict cognizant agency audit and approval.







**J. MARK CARPENTER**

*Director*

MGT CONSULTING GROUP | [mcarpenter@mgtconsulting.com](mailto:mcarpenter@mgtconsulting.com)

- 2 CFR Part 200 compliant Indirect Cost Rate Proposals for cities, counties and special districts. Many of these rate calculations included strict cognizant agency audit and approval.
- User fee studies for cities and counties that encompass all governmental services including, but not limited to, Building, Clerk, Courts, Public Safety, Development, Health, Planning, Recreation, Sanitation, and Planning/Zoning.

## REPRESENTATIVE CLIENTS

### COST ALLOCATION, LOCAL

City of Houston, TX

Mr. Carpenter managed the cost allocation and indirect cost rate proposal preparation process for over seven years. Mr. Carpenter managed the cost allocation and ICRP process from preparing reviews of in-house CAP and rate preparation to taking over the entire process from the City at a substantial cost savings. The scope included preparation of six cost allocation plans annually and indirect rates for over a dozen City departments. The project team assisted the City in defending those rates when requested.

### ORGANIZATION-WIDE FEE CALCULATIONS

City of Dallas, Texas, Office of Budget

Mr. Carpenter led a team of multiple consultants to analyze user fees and cost recovery for this 1.35 million population city. MGT reviewed cost recovery, developed fee comparisons and recommendations for most City departments, including Transportation, Animal Services, Sustainable Development & Construction, Parks & Recreation, Library, Sanitation, Police, and Fire. This multi-year project resulted in defensible fees for multiple millions in city cost for user fee activity and recommended changes or new fees of approximately \$500,000.

## PROJECT TIMELINE

The project team and the County staff should develop clear internal deadlines at the beginning of the project and establish intentional and structured communication. Shown below is MGT's proposed timeline for the engagement by major task. Assuming the County provides the required organizational and financial data in a manner agreed upon after the initial meeting. Work can begin as soon as FY 2019 expenditure and allocation data becomes available and can be completed once the FY 2019 CAFR and Single Audit are complete. We will work with the County to establish specific kick-off and completion dates for this project that work best for the County's schedule.

With over 40 permanent cost consultants in MGT Financial Solutions, we have the resources available to commit additional staff to the engagement should the project time-line need to be advanced.

The following table provides detail about our proposed task list and work plan but also provides a general timeline for the project. We have estimated the timeframe to be three months in this example, but one of the first tasks to accomplish would be to establish actual deliverable dates for each milestone, and we would use this opportunity to customize the timeline to suit the needs of the County.

Workplan & Project Milestones	MONTH:			
	1	2	3	Ongoing
<b>TASK 1 - PROJECT INITIATION</b>				
<input type="checkbox"/> Review workplan & project milestones	█			
<input type="checkbox"/> Review prior plan or methodology	█			
<input type="checkbox"/> Provide preliminary data request	█			
<input type="checkbox"/> Review and confirm the state requirements	█			
<input type="checkbox"/> Refine objectives, requirements, timeline as needed	█			
<b>TASK 2 – DATA IDENTIFICATION, COLLECTION AND REVIEW</b>				
<input type="checkbox"/> Provide detailed data request	█			
<input type="checkbox"/> Determine allowable expenditures	█	█		
<input type="checkbox"/> Identify key services provided and allocation methodologies	█	█		
<b>TASK 3 – COST ALLOCATION PLAN DEVELOPMENT</b>				
<input type="checkbox"/> Identify central service departments		█		
<input type="checkbox"/> Cost structure to reflect departmental operations		█		
<input type="checkbox"/> Identify central service departments/functions		█		
<input type="checkbox"/> Distribute allowable costs and incoming support to functions		█		
<input type="checkbox"/> Allocate functional costs with specific allocation factors		█		
<input type="checkbox"/> Prepare roll forwards where applicable		█		
<b>TASK 4 – PROCESS DRAFT COST ALLOCATION PLAN/INTERNAL REVIEW</b>				
<input type="checkbox"/> Project Manager review		█	█	
<input type="checkbox"/> Final review by technical advisor		█	█	
<input type="checkbox"/> Provide draft report to County		█	█	
<input type="checkbox"/> Conduct review with County staff and answer any questions		█	█	
<b>TASK 5 - REVISE DRAFT REPORT AND FINALIZE PLAN</b>				
<input type="checkbox"/> Address any concerns raised in Task 4, make necessary changes			█	



Workplan & Project Milestones	MONTH:			
	1	2	3	Ongoing
<input type="checkbox"/> Provide final electronic and hard copy deliverables to the County				
<input type="checkbox"/> Provide the information to file with the State				
<b>TASK 6 - PROVIDE IMPLEMENTATION GUIDANCE AND ASSISTANCE</b>				
<input type="checkbox"/> Assistance with reading, understanding and applying results of the study				
<input type="checkbox"/> Cost allocation training throughout the course of the study				
<input type="checkbox"/> Negotiate the plan with Federal and or State agencies as needed/provide supporting documentation				
<input type="checkbox"/> Provide project recap memo				

## FEE PROPOSAL

### COST PROPOSAL

MGT proposes to perform the services included in this proposal related to Cost Allocation Services for a fixed fee of **\$3,500**. This fee is inclusive of expenses and assumes no significant changes to the cost plan process due to unforeseen additional requirements at the state and/or federal level. The County may exercise an option for mutually agreed upon services if needed for audit resolution or other services.

### HOURLY RATES

Any additional services requested by the County may either be negotiated at additional fixed, not-to-exceed rates, or charged on an actual cost basis using the following billing rates:

MGT Professional Staff	Hourly Billing Rates
Project Director	\$ 220
Project Manager	\$ 175
Technical Advisor	\$ 200

## MGT EXPERIENCE

MGT of America Consulting, LLC (MGT) began operations in 1974, and has judiciously expanded its consulting capabilities over the years. MGT is organized as a privately-held, employee-owned and financially stable limited liability company with a deep roster of experienced cost allocation experts, resources, and desire to serve the County. MGT is owned by the current and retired partners, principals, and consultants of the firm.

MGT understands government structures, operations, and issues facing local agencies. This understanding comes from over 45 years of extensive experience in providing financial and management consulting for state and local governments, and the prior work experience of our consultants.

MGT combines exceptional firm qualifications and cost allocation expertise based on hundreds of projects each year for cities, counties and state agencies. We are a national firm with a local focus.

### MGT LOCATIONS

MGT Consulting has over 100 professionals located across the nation. Staffing for this engagement will come from our **North Carolina** locations. MGT assures the continuity of our project team and no project personnel will be replaced without the prior consent of the County.



### FIRM PROFILE

MGT of America Consulting, LLC is a financially stable national consulting firm with local offices and 100+ staff in 16 states.

Founded in Florida in 1974 as a higher education research firm, MGT has always taken pride in providing fiercely independent analysis and thoughtful advice to each client.

MGT of America, Inc. restructured in 2016, becoming MGT of America Consulting, LLC.

Currently, MGT Consulting is a privately-held, employee-owned and quickly growing limited liability company with a deep roster of experienced cost allocation experts and resources.

### NATIONAL FIRM LOCAL FOCUS

**CALIFORNIA**  
Sacramento | Pasadena

**COLORADO**  
Denver

**FLORIDA**  
Tallahassee | Tampa

**KANSAS**  
Wichita

**ILLINOIS**  
Chicago

**MICHIGAN**  
Bay City

**NORTH CAROLINA**  
Raleigh

**OHIO**  
Columbus

**TEXAS**  
Dallas

**VIRGINIA**  
Richmond

**WASHINGTON**  
Seattle





## MGT CONTACT INFORMATION

<b>PROJECT LEAD CONTACT</b>	<b>Parul Patel, Manager</b> P 714.272.3461   Email: <a href="mailto:ppatel@mgtconsulting.com">ppatel@mgtconsulting.com</a>
<b>MGT HEADQUARTERS</b>	<b>MGT of America Consulting, LLC</b> 4320 West Kennedy Boulevard   Tampa, Florida 33609 P: 813.327.4717   Fax: 850.385.4501   FEIN: 81-0890071 <a href="http://www.mgtconsulting.com">www.mgtconsulting.com</a>

MGT Consulting has the following major consulting lines of business:



### Financial Solutions

Financial analysis, cost accounting, cannabis consulting and operational support to local agencies



### Social Justice Consulting

Disparity research and diversity studies



### Education Consulting

Studies related to facility needs, curriculum evaluation, and additional consulting assistance at the K-12 and higher education levels



### Public Affairs

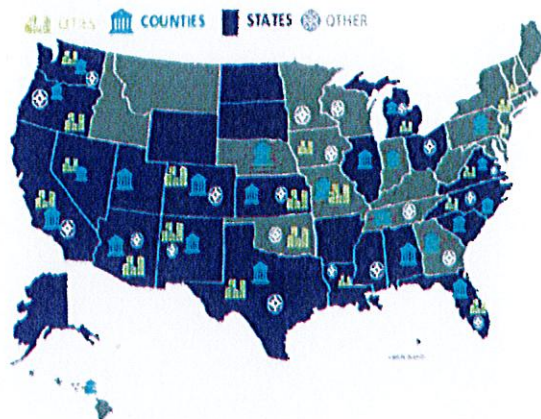
Through our sister company, Strategos, we provide public affairs and advocacy assistance in six to eight states at any one time

Further information on MGT and its services are available at [www.mgtconsulting.com](http://www.mgtconsulting.com), and financial statements are available upon request.

## FINANCIAL SOLUTIONS EXPERIENCE

The United States map to the right shows MGT's national scope and coverage of our primary costing services product lines. MGT Financial Solutions concentrates on cost allocation plans, user fee studies, state mandate cost reimbursement claiming, jail rate analysis, indirect cost rate proposals, and appropriation limitation calculations.

MGT understands jurisdictions like Alleghany County. We perform hundreds of cost allocation plans for cities, counties and departments of all sizes and demographics across the U.S. Our consultants have direct experience preparing cost allocation plans in a wide variety of governmental environments.



There are over 40 permanent cost consultants in MGT Financial Solutions. MGT has the deepest consulting bench in the local government cost and revenue industry. The majority of our costing consultants have been directly employed in producing cost accounting studies for more than 18 years, with the overall average of 14 years of direct government consulting experience. This depth assures our clients that: **(1)** MGT has the ability to complete the assignment no matter what happens to any one particular consultant, **(2)** if a project time-line needs to be advanced, MGT has the resources to commit additional staff to the engagement, and **(3)** with a combined 487 years cost plan experience and combined 329 years user fee experience, there are no issues that our team has not addressed, and that expertise is only a phone call away.

## MGT'S COST ALLOCATION PLAN EXPERIENCE

*MGT Consulting prepares over 300 cost allocation plans each year. Each plan is prepared by the consultants who work with our clients, not call centers and data entry staff.*

MGT annually prepares over 300 cost allocation plans. Our clients range from small cities, counties and districts, to the largest urban areas in the nation. Our firm prepares cost allocation plans for states, U.S. territories, counties and select cities across the United States, including several North Carolina localities. MGT consultants have experience preparing agency wide cost allocation plans, Sheriff departmental plans and associated jail and booking rate studies. The proposed project team are proficient at managing cost allocation plan projects exactly like the one being requested by the County. They have over 50 years of experience in governmental cost determination. This team can start your project at your earliest convenience.



### MGTCAP Cost Allocation Software

We will utilize MGT's proprietary cost allocation software, MGTCAP, to develop the cost allocation plans. Our cost allocation software incorporates years of refinements and continual field use by MGT consultants. The software has

# MGTCAP

been utilized to develop local government, statewide and state agency cost allocation plans that have been reviewed by numerous federal and state agencies. It is the tool we use to generate all the 2 CFR Part 200 and Full Cost allocation plans we prepare on behalf of city, county, and state clients each year.

The MGTCAP software uses a double iteration (step-down) methodology ensuring the full allocation of all costs and the recognition of the cross allocations among central service agencies. The software enables the allocation of an unlimited number of cost pools using multiple allocation bases. Report outputs include detailed schedules that reconcile all costs allocated in the CAP to the County Sheriff's Office financial statements. It also provides summary and management reports which compare the current year's allocation results with prior years.

MGTCAP writes reports directly into Microsoft Excel, which provides us the ability to modify the presentation of the results in a nearly unlimited fashion. MGT's final reports are packed into all-inclusive PDF files that include a plan cover, table of contents, introduction, certifications, detailed cost allocation results, and departmental narratives. Executive Summary information and year-to-year comparison worksheets can be incorporated into separate deliverables for County management and other users that are more interested in bottom line results and don't require all the detailed calculations. Our cost plans offer transparency to reviewers and the public.

## REFERENCES

The client references that follow represent only a small portion of MGT's annual agency wide cost allocation work. Below are several NC cost plan clients that can attest to MGT staff, timeliness, and caliber of work. We strongly encourage you contact any or all of them and are happy to provide contact information for additional clients.

<b>DAVIE COUNTY, NC</b>  <b>COST ALLOCATION</b>	<b>Contact:</b> <b>Ms. Robin West, Finance Director</b>  <b>Address:</b> 123 S Main St. Mocksville, NC 27028 <b>Phone:</b> 336.753.6022 <b>E-Mail:</b> <a href="mailto:rwest@daviecountync.gov">rwest@daviecountync.gov</a>
<b>MCDOWELL COUNTY, NC</b>  <b>COST ALLOCATION</b>	<b>Contact:</b> <b>Ms. Alison Bell, Finance Director</b>  <b>Address:</b> 100 Spaulding Rd. Marion, NC 28752 <b>Phone:</b> 828.652.7121 <b>E-Mail:</b> <a href="mailto:amorgan@mcdowllgov.com">amorgan@mcdowllgov.com</a>
<b>NASH COUNTY, NC</b>  <b>COST ALLOCATION</b>	<b>Contact:</b> <b>Ms. Donna Wood, Finance Director</b>  <b>Address:</b> 120 West Washington St. Nashville, NC 27856 <b>Phone:</b> 252.459.9802 <b>E-Mail:</b> <a href="mailto:Donna.Wood@nashcountync.gov">Donna.Wood@nashcountync.gov</a>
<b>NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY</b>  <b>COST ALLOCATION</b>	<b>Contact:</b> <b>Mr. Rex Whaley, Finance Director</b>  <b>Address:</b> 217 West Jones St. Raleigh, NC 27603 <b>Phone:</b> 919.707.8561 <b>E-Mail:</b> <a href="mailto:Rex.Whaley@ncdenr.gov">Rex.Whaley@ncdenr.gov</a>



# NATIONAL FIRM LOCAL FOCUS

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**MICHIGAN**

Bay City

**NORTH CAROLINA**

Raleigh

**OHIO**

Columbus

**TEXAS**

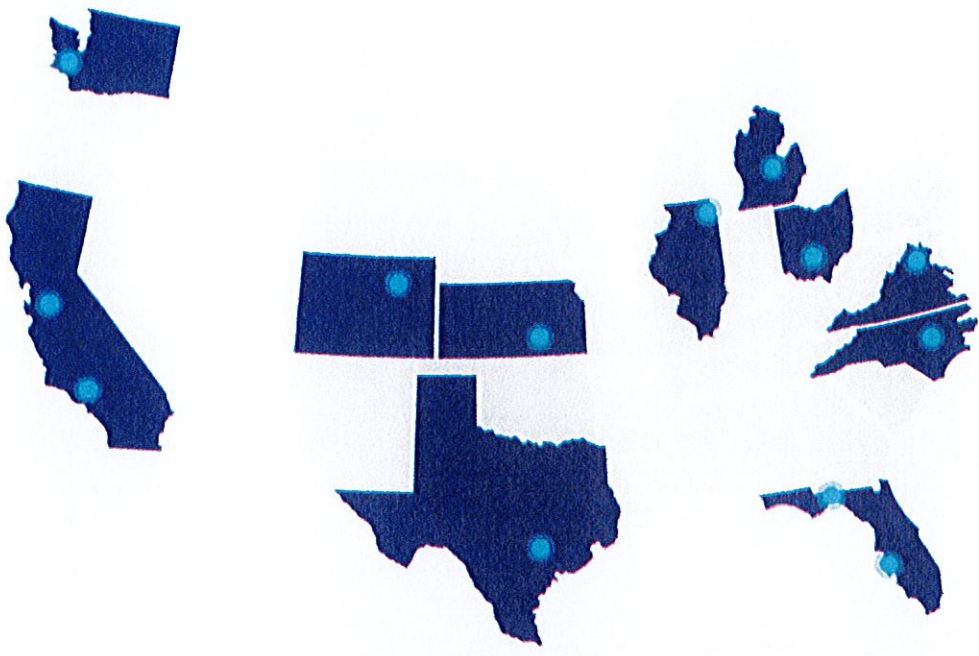
Dallas

**VIRGINIA**

Richmond

**WASHINGTON**

Seattle



4320 West Kennedy Boulevard, Tampa, Florida 33609

888.302.0899 | [www.mgtconsulting.com](http://www.mgtconsulting.com)

# 2020 Census Complete Count Resolution For Allegheny County

**WHEREAS** the U.S. Census Bureau is required by the U.S. Constitution to conduct a complete count of the population and provides a historic opportunity to help shape the foundation of our society and play an active role in American democracy;

**WHEREAS** Allegheny County is committed to ensuring every resident is counted;

**WHEREAS** federal and state funding is allocated to communities, and decisions are made on matters of national and local importance based, in part, on census data and housing;

**WHEREAS** census data help determine how many seats each state will have in the U.S. House of Representatives and are necessary for an accurate and fair redistricting of state legislative seats, county and city councils and voting districts;

**WHEREAS** information from the 2020 Census and American Community Survey is vital for economic development and increased employment;

**WHEREAS** the information collected by the census is confidential and protected by law;

**WHEREAS** a united voice from business, government, community-based and faith-based organizations, educators, media and others will enable the 2020 Census message to reach more of our residents;

**WHEREAS** the Census count requires extensive work, and the Census Bureau requires partners at the state and local level to insure a complete and accurate count;

**WHEREAS** Allegheny County and its appointed Complete Count Committee will bring together a cross section of community members who will utilize their local knowledge and expertise to reach out to all persons of our community;

Now, therefore, **BE IT RESOLVED** that Allegheny County is committed to partnering with the U.S. Census Bureau and the State of North Carolina and will:

1. Support the goals for the 2020 Census and will disseminate 2020 Census information;
2. Encourage all County residents to participate in events and initiatives that will raise the overall awareness of the 2020 Census and increase participation;
3. Provide CCC members and Census advocates to speak to County and Community Organizations;
4. Support census takers as they help our County complete an accurate count; and,
5. Strive to achieve a complete and accurate count of all persons within our borders.

Adopted by the Allegheny County North Carolina Board of Commissioners,  
this 3rd day of September.

Attest:

Allegheny County Board of Commissioners:

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Drew Temple,  
Clerk to the Board

---

Mark Evans,  
Chair

---

Larry Prince, Vice-Chair

---

Bill Osborne, Member

---

Bobby Irwin, Member

---

John U. Irwin, Member

**ALLEGHANY COUNTY BOARD OF COMMISSIONERS**

**RESOLUTION IN SUPPORT OF FUNDING TO MEET THE MENTAL HEALTH, INTELLECTUAL/ DEVELOPMENTAL DISABILITIES, AND SUBSTANCE USE DISORDER SERVICE NEEDS OF THE CITIZENS OF ALLEGHANY COUNTY**

- WHEREAS,** Alleghany County recognizes that, with appropriate services and supports, individuals with mental health and substance use disorders can achieve recovery; and
- WHEREAS,** Alleghany County further recognizes that individuals with intellectual/ developmental disabilities (“IDD”) can live productive lives in the homes and communities of their choice; and
- WHEREAS,** the amount of resources needed for mental health, substance use disorder and IDD services and supports is increasing due to North Carolina’s increasing population; and
- WHEREAS,** Alleghany County is a member of Vaya Health, a public Local Management Entity/ Managed Care Organization (“LME/MCO”) responsible for management and oversight of publicly-funded mental health, substance use disorder and IDD services for over 270,000 Medicaid-covered and uninsured individuals across twenty-two (22) western North Carolina counties (the “Catchment Area”); and
- WHEREAS,** consistent with the goals of the 1915(b)/(c) Medicaid Waiver expansion, the Vaya Health Board of Directors developed a comprehensive reinvestment plan beginning in SFY 2015-16 as part of a focused effort to reduce unnecessary emergency department admissions, divert people from incarceration and institutionalization, combat the opioid epidemic, and support county Departments of Social Services; and
- WHEREAS,** Vaya has already reinvested \$18.5 million of its Medicaid savings in a broad array of initiatives designed to directly address the needs of the citizens of Alleghany County, including but not limited to expanding Facility Based Crisis and Behavioral Health Urgent Care services, implementing an innovative evidenced-based service to support children aging out of the foster care system, distributing opioid overdose reversal kits, increasing provider rates and expanding Medication Assisted Treatment; and
- WHEREAS,** State funding for North Carolina's behavioral healthcare system has been inconsistent and inadequate for more than 17 years since mental health reform legislation was passed by the North Carolina General Assembly in 2001; and
- WHEREAS,** the North Carolina General Assembly has reduced State funding for behavioral health services (known as single-stream funding) by more than \$458 million statewide over the past four years, including more than \$48 million in cuts to single-stream funding to Vaya alone, while requiring Vaya and other LME/MCOs to continue offering the same level of State-funded services as before such reductions; and



**WHEREAS,** if the proposed \$9 million single-stream reduction in the pending State budget is passed into law, the General Assembly will have cut \$57 million in single-stream funding from Vaya; and

**WHEREAS,** despite these significant single-stream funding reductions, Vaya has continued serving the uninsured and underinsured using remaining State funds and Medicaid savings that were intended to be used for implementing its reinvestment plan; and

**WHEREAS,** such continued reductions have forced Vaya to eliminate, or halt work on, items from its reinvestment plan; and

**WHEREAS,** Alleghany County has continued to fund Vaya with County dollars to supplement services to our residents, but we are concerned that additional reductions in behavioral health funding by the State may increase the need for the local allocation and place additional strain on local hospitals, Emergency Medical Services, jails, housing, and other social service resources.

**NOW, THEREFORE, BE IT RESOLVED,** that we, the Alleghany County Board of Commissioners, do hereby request that the North Carolina General Assembly:

- Stop cutting Vaya Health’s State single-stream funding so that such funds can be utilized to strengthen access to healthcare services for the mental health, intellectual/ developmental disabilities, and substance use disorder needs of uninsured and underinsured Alleghany County citizens; and
- Allow Vaya Health to build up its Medicaid savings so that Vaya can reinvest in services and supports for our communities rather than mandating that such funds be used to replace reduced State funding.

This the 3rd day of September 2019.

Attest:

Alleghany County Board of Commissioners:

\_\_\_\_\_  
Drew Temple  
Clerk to the Board

\_\_\_\_\_  
Mark Evans  
Chair

\_\_\_\_\_  
Larry Prince, Vice-Chair

\_\_\_\_\_  
Bill Osborne, Member

---

Bobby Irwin, Member

---

John U. Irwin, Member

STATE OF NORTH CAROLINA

ALLEGHANY COUNTY

MEMORANDUM OF TRANSPORTATION AGREEMENT

THIS MEMORANDUM OF TRANSPORTATION AGREEMENT is made and entered as of September 3, 2019, among the law enforcement agencies listed below and the Alleghany County Sheriff's Office.

WHEREAS, N.C.G.S. §122C-251, Custody and Transportation for Involuntary Commitments, was amended and is effective October 1, 2019; and

WHEREAS, N.C.G.S. §122-251 (g) requires the governing body of a city or county adopt a plan known as an "involuntary commitment transportation agreement" or "transportation agreement" for the custody and transportation of respondents in involuntary commitment proceedings; and

WHEREAS, once adopted, the Transportation Agreement must be submitted to: the Magistrates in Alleghany County; the Alleghany County Clerk of Court; the Division of Mental Health Development Disabilities, and Substance Abuses Services; and the Local Management Entity-Managed Care Organization, Vaya Health, that serves Alleghany County.

NOW THEREFORE, for and in consideration of mutual promises to each other as herein after set forth, the Parties mutually agree as follows;

1. After an Alleghany County Magistrate issues an involuntary commitment order and the Magistrate contacts the local law enforcement agency in the jurisdiction where the respondent resides or is physically located, an officer or deputy with the jurisdiction shall retrieve the IVC Order from the Magistrate.
  - a. If the respondent is a resident of the municipality or is physically taken into custody in the municipal limits, the municipality is responsible for transportation of the respondent including admission and discharge.
  - b. If the respondent is a resident of the county outside any municipal limit or is physically taken into custody outside municipal limits, the county is responsible for transportation of the respondent including admission and discharge.
2. The officer or deputy shall attempt to locate the respondent at the address provided on the IVC Order or where the magistrate believes the subject is physically located.



3. Upon location, the officer or deputy shall take respondent into custody and transport respondent to Alleghany Health (Alleghany Memorial Hospital) or other approved facility. After the facility has completed its examination/assessment of respondent, and if further care is required, then AMH or other authorized assessment facility, will locate a facility for respondent's future care.
4. The Alleghany County Sheriff's Office shall be responsible for transporting the respondent to any facility, identified by the assessment facility for respondents future care, located in North Carolina.
5. Upon completion of the initial evaluation, if the facility determines respondent is not in need of further treatment, an officer or deputy with the agency that took respondent into custody shall return respondent to the address in the IVC Order or allow for other transportation arrangements of respondent be made.
6. Each party to this Transportation Agreement agrees it is responsible for its own acts and/or omissions and those of its officials, employees, representative and agents in carrying out the terms of this Transportation Agreement and the results thereof to the extent authorization by law and shall not be responsible for the acts and/or omissions of any other Party and the results thereof.
7. It is understood and agreed that each Party's liability may be limited by the provisions or other immunity law applicable to each law enforcement agency. Parties understand and agree that each Party has not waived its rights, immunities and protections provided by law. Nothing contained in this Transportation Agreement shall waive or amend, nor shall be construed to waive or amend any defense or immunity that either Party, their respective officials and employees, has or may have.
8. This Transportation agreement is not intended to and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind among the Parties. Moreover, the rights and the obligations of the Parties under this Transportation Agreement will be only those expressly set forth in this Transportation Agreement.
9. This Agreement may be amended by written Agreement of the Parties.
10. Each term, condition, or covenant herein is subject to and shall be construed in accordance with the North Carolina law and any applicable federal law.
11. This Agreement may be executed in two (2) or more counterparts each of which will be deemed to be an original.

IN WITNESS WHEREOF, the Sparta Police Department and the Alleghany County Sheriff's Office, acting under authority of their respective governing bodies, have caused this Memorandum of Transportation Agreement to be duly executed as set forth below.

**Alleghany County**

By: \_\_\_\_\_

Name: Mark Evans

Title: Chair of the Alleghany County Board of Commissioners

(SEAL)

ATTEST: \_\_\_\_\_

Name: \_\_\_\_\_

Title: County Clerk

**TOWN OF SPARTA**

By: \_\_\_\_\_

Mayor Wes Brinegar

(SEAL)

ATTEST: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Town of Sparta Clerk

**ALLEGHANY COUNTY**

By: \_\_\_\_\_

Sheriff Bryan Maines

**TOWN OF SPARTA POLICE CHIEF**

By: \_\_\_\_\_

Bob Lane, Chief of Police

**Alleghany County  
Budget Amendment  
Transportation Fund  
#7**

Be it resolved by the Alleghany County Board of Commissioners  
that the following amendment be made to the Budget Resolution  
for the fiscal year ending June 30, 2019.

Description	Debit	Credit
Amendment Explanation: To budget for transfer from General Fund		
<b>Expenditures:</b>		
Maintenance and Repair 40-400-1500	9,145	
<b>Revenues:</b>		
Transfer from General Fund 40-397-0000		9,145
		<b>Over-all Budget</b>
Total Appropriation in Current Budget		378,317
Amount of Debit/Credit of above Amendment		9,145
		387,462

We the Board of County Commissioners of Alleghany County hereby  
approve the changes in the Budget as indicated above, and have made entry of  
these changes on the minutes of said Board, this the 3rd day of September, 2019.

\_\_\_\_\_  
Budget Officer

\_\_\_\_\_  
Chairman, Board of  
County Commissioners

Appropriated Fund Balance Since July 1



**Allegheny County  
Budget Amendment  
General Fund  
#45**

Be it resolved by the Allegheny County Board of Commissioners  
that the following amendment be made to the Budget Resolution  
for the fiscal year ending June 30, 2019.

Description	Debit	Credit
Amendment Explanation: To budget for transfer to 40 Fund		

**Expenditures:**

Transfer to Transportation Fund	9,145
10-690-9104	

**Revenues:**

Appropriated Fund Balance	9,145
10-399-0000	

	Over-all Budget
Total Appropriation in Current Budget	18,224,606
Amount of Debit/Credit of above Amendment	9,145
	18,233,751

We the Board of County Commissioners of Allegheny County hereby  
approve the changes in the Budget as indicated above, and have made entry of  
these changes on the minutes of said Board, this the 3rd day of September, 2019.

\_\_\_\_\_  
Budget Officer

\_\_\_\_\_  
Chairman, Board of  
County Commissioners

Appropriated Fund Balance Since July 1

# 1	40,695	Communication Equipment Contract
# 2	10,000	Wellness Center Annual Allocation
# 5	1,990	Pool Pump Repair
# 7	3,269	Emer. Mngt Radio for New Truck
# 8	414	Insurance Proceeds Received in 2017/18
# 9	2,705	Drug Task Force (rollover from 2017/18)
# 11	50,000	Inmate Medical Expenses Deductible
# 12	7,085	Software Hosting Services
# 13	6,988	OPEB Report
# 14	27,600	Tag Office
# 16	2,016	Property/Liability Insurance
# 19	55,000	Boarding of Prisoners
# 21	950	Inspections Code Books
# 24	12,000	Inmate Caneen Expenses
# 28	89,410	Two Narcotics Officers
# 29	17,073	Jail Maintenance
# 30	15,384	Workers Comp Audit
# 31	5,843	OPEB Health Care Plan Report
# 34	6,400	Communication Tower Leases
# 37	850	Roaring Gap Deputies more than 26 payperiods
# 38	16,562	HVAC Units at WCC/BDC
# 39	25,000	Transfer to Transportation Fund
# 40	115,000	Transfer to Transfer Facility Fund
# 41	12,000	Storm Water Drain
# 44	4,634	Emer. Mngt HUT and EMS HUT for new vehicles
# 45	9,145	Transfer to Transportation Fund
	538,013	