FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

Executive Board:

Andy Cherullo, ***Chair***
City of Tacoma

Jan Hawn
City of Bellevue

Susy Haugen
City of Everett

Glen Lee
City of Seattle

Executive Board Meeting Agenda

September 22, 2014 at 12:00 PM

Seattle Municipal Tower Conference Room 4070

Seattle, Washington

1. Call to Order
   a. Introductions

2. Public Comment*

3. Approval of July 16, 2014 Special Meeting Summary - Page 2

4. Review of July 31, 2014 Financial Statements - Page 4

5. Action Items
   a. Resolution FL2014-18: Legal services contract - Page 8
   b. Resolution FL2014-19: Assignment of staff and provisions of related office space and other support - Page 22
   c. Resolution FL2014-20: Operations Policies related to delegation of authorities, communications, electronic signatures, emergencies, and finances - Page 39

6. Discussion Items
   a. Program Manager's Report

7. Other Business

8. Adjournment

*A public comment period is provided to allow the public to briefly present information, topics or issues that they feel should be considered by the board. Presentation should be limited to three minutes and be summary in nature. The board may decide to discuss the topic briefly at that time or to request its placement on a future agenda.

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

Executive Board Special Meeting Summary
July 16, 2014 – 2:00 PM

Executive Board:

Andy Cherullo, ***Chair***
City of Tacoma

Jan Hawn
City of Bellevue

Susy Haugen
City of Everett

Glen Lee
City of Seattle

KEY: Underlined text indicates actions/decisions
Bold italicized text indicates follow up items.

1. Call to Order

The July 16 Special Meeting of the Washington Multi-City Business License and Tax Portal Agency (FileLocal) was called to order at 2 p.m. and held in Conference Room 4090 of the Seattle Municipal Tower Conference in Seattle, Washington.

Roll Call

Board Present: 4 - Andy Cherullo (phone), Susy Haugen (phone), Jan Hawn (phone[1]), and Glen Lee. Absent: 0.

Staff and others: Jamie Carnell, Lilah Gael, Danielle Larson, Vanessa Lund, Kjristine Lund.

2. Meeting Summary Approval

On a motion made by Glen Lee, the board unanimously approved the May 27, 2014 meeting summary (3 in favor, 1 absent).

3. Public Comment

There was no public comment.

4. Actions

Resolution FL2014-15
On a motion by Jan Hawn, the Board unanimously approved the revised version of Resolution FL2014-15 pertaining to FileLocal's fiscal policies.

Resolution FL2014-17
On a motion by Susy Haugen, the Board unanimously passed Resolution FL2014-17 authorizing the contract retaining Francis and Company to provide accounting services.

[1] Jan Hawn joined after the meeting summary approval vote. All four board members were present for the remainder of the meeting.

5. Discussion Items

Loaned Staff Agreement
The Board reviewed the draft Loaned Staff Agreement and expects to vote on the agreement at its September meeting. Danielle Larson has taken the lead as the FileLocal representative and has worked closely with FileLocal attorney Chris Bacha of Kenyon Disend. ***Cities should review the draft and contact Chris Bacha with questions or comments.***

Implementation
Jamie provided an update on project implementation. E-Gov Systems is meeting with each city this week to review data interchange specifications. Seattle and Tacoma shared concerns about some web services that are not currently included.

Jamie encouraged Board members to review the monthly Quality Assurance reports. ***Lilah Gael will send a link to access the Quality Assurance file on box.com.***

Jamie updated the group on progress being made regarding payment processing and security.

The group discussed plans to update city councilmembers and legislators. ***Jamie Carnell will meet with OIR staff to coordinate and ensure cities have the information they need.***

6. Adjournment

On a motion made by Susy Haugen, the Board adjourned at 2:19 p.m.

Respectfully Submitted,

Susy Haugen
Secretary, FileLocal

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

FileLocal
Financial Statements
July 31, 2014

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SCHEDULE OF BUDGET AND REMAINING BUDGET	3

Your one stop for local business licensing and tax filing

www.filelocal.org

FILELOCAL
STATEMENT OF FINANCIAL POSITION
JULY 31, 2014

ASSETS			
Cash	$	294,446	
Account receivable		56,903	*
Total Current Assets		351,349	
TOTAL ASSETS		351,349	
LIABILITIES AND NET ASSETS			
Accounts payable		17,841	
Accrued liabilities		3,000	**
Total Current Liabilities		20,841	
TOTAL LIABILITIES		20,841	
NET ASSETS			
Net assets		330,508	
TOTAL NET ASSETS		330,508	
TOTAL LIABILITIES AND NET ASSETS	$	351,349	

Notes:

* Accounts receivable represent reimbursable costs from City of Tacoma which has not been paid yet as of July 31, 2014. Reimbursable cost revenue is pre-determined through budget and inter-local agreement and recognized as revenue on the Statement of Activities at that time they are billed.

** Accrued liabilities represent estimated accounting fee for the month of July, which was recognized on the Statement of Activities when incurred in accordance with the accrual basis.

FILE LOCAL
STATEMENT OF ACTIVITIES
FOR THE MONTH AND YEAR-TO-DATE ENDED JULY 31, 2014

	JULY	YTD
REVENUES		
User fees	-	-
Reimbursable cost		
City of Seattle	-	245,394
City of Bellevue	-	35,654
City of Tacoma	-	56,903
City of Everett	-	17,782
Total reimbursable costs	-	355,733
Total revenues	$ -	$ 355,733
EXPENDITURES		
Accounting fees	3,000	9,735
Insurance	-	4,384
Legal fee	1,226	9,488
License and membership fees	1,618	1,618
Total expenditures	5,844	25,225
CHANGE IN NET ASSETS	$ (5,844)	$ 330,508

FILELOCAL
SCHEDULE OF BUDGET AND REMAINING BUDGET
FOR THE YEAR TO DATE ENDED JULY 31, 2014

	Budget	YTD Actual	% of Budget	Remaining Balance
REVENUES				
User fees	$72,566	-	0%	$72,566
Reimbursable cost				
City of Seattle	245,394	245,394	100%	-
City of Bellevue	35,654	35,654	100%	-
City of Tacoma	56,903	56,903	100%	-
City of Everett	17,782	17,782	100%	-
Total reimbursable costs	355,733	355,733	100%	
Total revenues	428,299	355,733	83%	72,566
EXPENDITURES				
Labor	152,649	-	0%	152,649
Contracts	35,720	14,119	40%	21,601
Overhead	41,131	11,106	27%	30,025
Total operating expenditures	229,500	25,225	11%	204,275
CHANGES IN FUND BALANCES	198,799	330,508		
FUND BALANCES, AS OF JUNE 1, 2014	-	-		
FUND BALANCES, AS OF JULY 31, 2014	$198,799	$330,508		
Schedule I - Contracts				
Accounting	$20,000	9,735	49%	$10,265
Auditing	10,000	-	0%	10,000
Insurance	5,000	4,384	88%	616
Bank fees	720	-	0%	720
Total	$35,720	14,119	40%	$21,601
Schedule II - Overhead				
Legal	$30,000	9,488	32%	$20,512
Office and operating supplies	2,500	-	0%	2,500
Printing	2,500	-	0%	2,500
Licenses/Memberships	2,500	1,618	65%	
Agency IT costs	3,631	-	0%	3,631
Total	$41,131	11,106	27%	$30,025

FileLocal

700 5th Avenue, Suite 4350
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FileLocal Resolution FL2014-18
Briefing Paper

Date: September 22, 2014

Issue: Should the Executive Board of Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") authorize the chair to execute a contract for legal services with Kenyon Disend PLLC?

Recommendation: The Portal Agency Executive Board should pass a Resolution to authorize the chair to execute a contract for legal services with Kenyon Disend PLLC based on experience and projected yearly costs.

Rationale: The Portal Agency Executive Board has determined that it is in the best interest of the Portal Agency to retain independent legal counsel and Kenyon Disend PLLC will meet the needs of the agency.

Background:

1. The Portal Agency conducted a competitive selection process and identified a legal services firm that best meets the needs of the organization and Kenyon Disend PLLC is the recommended firm.

2. The Portal Agency through resolution FL 2014-04 previously approved a letter of engagement with Kenyon Disend PLLC.

3. The recommended contract is a professional services contract that would supersede the letter of engagement.

4. The scope of work and hourly rates included with the recommended contract are the same as those included with the original letter of engagement.

RESOLUTION NO. 2014-18

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board authorizing the chair to execute a contract for legal services superseding the letter of engagement approved with FL-2014-04.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Executive Board has determined that it is in the best interest of the Portal Agency to retain independent legal counsel;

Whereas, the Portal Agency conducted a competitive selection process and determined that the firm, Kenyon Disend, PLLC meets the needs of the Portal Agency;

Now Therefore,

BE IT RESOLVED by the Executive Board of the Washington Multi-City Business License and Tax Portal Agency:

SECTION 1. The Executive Board approves the "Contract for Legal Services" attached to this resolution. The chair of the Executive Board is authorized to execute this agreement.

ADOPTED this 22nd day of September, 2014.

ATTEST:

Washington Multi-City Business License and Tax Portal Agency Executive Board
Seattle, Washington

Board Secretary

Board Chair

CONTRACT FOR PROFESSIONAL SERVICES

(Legal Services)

Contract No. _____

This agreement (the "Agreement") is made and entered into this 22nd day of September, 2014, by and between the Washington Multi-Agency Business License and Tax Portal Agency (hereinafter referred to as the "Agency"), a not for profit Washington corporation, and **Kenyon Disend, PLLC** (hereinafter referred to as "Consultant");

Consultant Information:

Name: Kenyon Disend, PLLC

Representative: Michael R. Kenyon, Managing Member

Address: 11 Front St. So., Issaquah, WA 98027-3820

Phone: 425/391-4824

E-mail: Mike@KenyonDisend.com

UBI/Federal: 602 010 352

In consideration of the terms, conditions, covenants, and performance of the scope of work contained herein, as attached and made a part hereof, Agency and Consultant mutually agree as follows:

I. Scope and Schedule of Work.

A. Scope of Work. The Consultant agrees to perform those professional services described in Exhibit "A" (Scope of Work) attached hereto and incorporated herein.

B. Warranty. Consultant represents and warrants that it and its staff to be assigned to provide services, have the requisite training, skill, and experience necessary to provide the services required by this Agreement and are appropriately accredited and licensed by all applicable agencies and governmental entities. Services provided by Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing in similar circumstances.

II. Compensation and Payment.

A. Compensation. The Agency shall pay the Consultant as sole compensation for the services performed under this contract, such sums of money as are arrived at by computing the actual number of hours expended by the Consultant in the performance of

this contract and multiplying such total hours performed by the applicable rate which for 2014 is as set forth in Exhibit "B" (Hourly Rates) attached hereto, plus any additional costs such as travel, copy costs, phone charges, materials and supplies, incidental expenses, or other such costs directly related to service provided by Consultant to the Agency. Such payment shall be the total compensation for all work performed under this Agreement, including but not limited to all labor and reimbursable expenses. Consultant typically adjusts its hourly rates effective the 1st of January of each year. For years 2015 and beyond, Consultant shall provide Agency with its adjusted hourly rates for the upcoming year by October 1 of each year.

B. Total Annual Compensation. The total compensation to be paid the Consultant for services provided shall not exceed **$20,000** in any calendar year except upon approval in advance in writing by the Agency.

C. Invoices. The Consultant shall be paid monthly, on the basis of invoices submitted. The Consultant shall submit an original written invoice, with necessary and appropriate documentation, in a format comparable to the invoice attached hereto and identified as Exhibit "C" as determined by the Agency, for work completed during the previous month. The invoice shall provide a description of the work performed during the month, the number of hours spent performing such work, and any reimbursable costs and expenses, if authorized herein, incurred in connection with such work.

D. Time of Payment. Payment shall be made through the Agency's ordinary payment process, and shall be considered timely if made within *thirty* (30) days of receipt of a properly completed invoice.

E. Audit. All payments shall be subject to adjustment for any amounts, upon audit or otherwise, determined to have been improperly invoiced. Notwithstanding the provision of this Section II of the Agreement, if the Agency believes in good faith that some portion of work has not been completed in the manner described in Section I.B., above, Agency may request Consultant to correct work prior to Agency payment for such work. In such event, Agency must clearly and reasonably provide to Consultant an explanation of Agency concern over the work and the remedy that Agency expects from Consultant. Agency may withhold from any payment otherwise due an amount that Agency in good faith believes is under dispute, or if the Consultant does not provide a sufficient remedy consistent with the standard set forth in Section I.B., above, Agency may retain the amount equal to the cost to Agency for otherwise correcting or remedying the work not properly completed.

III. Term; Termination of Agreement.

A. Term. This Agreement shall terminate on the 31st day of December, 2018, unless sooner terminated under subsection "B" below or extended by mutual agreement of the parties, in writing.

B. Termination. Either party may terminate this Agreement at any time, with or without cause, by giving *ten* (10) days advance notice to the other party in writing. In the event of termination, all finished and unfinished work prepared by the Consultant pursuant to this Agreement shall be provided to the Agency. In the event the Agency terminates this Agreement prior to completion without cause, the Consultant may complete such analyses and records as may be necessary to place its files in order, and as mutually agreed to by the parties. The Consultant shall be entitled to receive compensation for satisfactory work completed prior to the date of termination, not to exceed the total compensation set forth herein.

C. Effect of Termination. Upon the termination or expiration of this Agreement, copies of files containing the written record of the Consultant's work for the Agency shall be delivered to Agency upon request.

D. Suspension. The Agency may suspend this Agreement, at its sole discretion, upon *seven* (7) days advance notice to the Consultant. Such notice shall indicate the anticipated period of suspension. Any reimbursement for expenses incurred due to the suspension shall be limited to the Consultant's reasonable expenses, and shall be subject to verification. The Consultant shall resume performance of services under this Agreement without delay when the suspension period ends.

E. Force Majeure. Neither party shall be considered to be in default in the performance of this Agreement to the extent that performance is prevented or delayed by any cause which is beyond the reasonable control of the affected party.

IV. Rights in Data and Publications.

A. Works for Hire. Data which is developed pursuant to this Agreement shall be "works for hire" as defined by the U.S. Copyright Act of 1976, as amended, and shall be owned by the Agency. Pursuant to 17 U.S.C. Chapter 2, § 201, the Agency will be deemed the author of the data and will own all copyrights in the data. "Data" shall mean all work product to be provided by the Consultant under this Agreement and shall include, but not be limited to, draft and final reports, documents, pamphlets, advertisements, books, magazines, surveys studies, computer programs and source codes, films, tapes and/or sound reproductions. All work product, including records, files, documents, plans, computer disks, magnetic media or material which may be produced or modified by Consultant while performing services for the Agency shall belong to the Agency, unless otherwise agreed to by the parties. Until at least *twelve* (12) months following final payment, Consultant shall provide Agency prompt access to (and Agency shall have the right to examine, audit and copy) all of Consultant's books, documents, papers and records related to the services provided to the Agency. Consultant cannot copyright the Agency content or templates. The Consultant shall obtain the Agency's written approval prior to the publication of any results of studies and/or services performed or to be performed for any purpose other than for Agency use. This provision shall not apply to any data that is developed independent of this Agreement.

B. Copyright Release. If any work infringes upon or misappropriates any patent, copyright, trade secret, trademark or other intellectual property right, Consultant shall either (a) procure for Agency the right to use such Work; or (b) modify Work so that it no longer infringes or misappropriates any such right.

C. Non-Disclosure. Consultant shall not, without the prior written consent of Agency, disclose to third parties information that is not otherwise subject to public disclosure unless:

i. The information is known to Consultant prior to receiving the same directly or indirectly in connection with the services provided;
ii. The information is in the public domain at the time of disclosure by Consultant; or
iii. The information is received by Consultant from a third party who does not have an obligation to keep the same confidential.

V. Contract Administration and Management.

A. Contract Manager. The **Program Manager** for the Agency shall have primary responsibility for administering and approving services to be performed by the Consultant, and shall coordinate all communications between the Consultant and the Agency.

B. Reports. The Consultant, at such times and in such form as the Agency may require, shall furnish the Agency with periodic reports pertaining to the work and services undertaken pursuant to this Agreement. The Consultant will make available to the Agency all work-related accounts, records and documents for inspection, auditing, or evaluation during normal business hours in order to assess performance, compliance and/or quality assurance under this Agreement, provided that any such inspection, audit, or evaluation shall not unreasonably disrupt Consultant's normal business operation.

D. Compliance with Law. The Consultant shall comply with all applicable federal, state and local laws, ordinances, rules and regulations.

E. No Assignment. The Consultant shall not assign, subcontract, delegate, or transfer any obligation, interest or claim to or under this Agreement or for any of the compensation due hereunder without the prior written consent of the Agency.

F. Inspection. The Work shall be subject, at all times, to inspection by and with approval of Agency, but the making (or failure or delay in making) such inspection or approval shall not relieve Consultant of responsibility for performance of the Work in accordance with this Agreement, notwithstanding Agency's knowledge of defective or non-complying performance, its substantiality or the ease of its discovery. Upon reasonable advance notice from Agency, Consultant shall provide sufficient, safe, and proper facilities and equipment for such inspection and reasonable access to such facilities, provided that such access shall not unreasonably disrupt Consultant's normal business operations.

VI. Records Retention

The Consultant shall establish and maintain records in accordance with requirements prescribed by the Agency and the State Public Records Act, with respect to all matters covered by this Agreement. Except as otherwise authorized by the Agency, the Consultant shall retain such records for a period of *six* (6) years after receipt of the final payment under this Contract or termination of this Contract.

VIII. Independent Contractor Status.

A. Independent Contractor. The Consultant is and shall be at all times during the term of this Agreement an independent contractor, and not an employee of the Agency. Consultant shall control and direct the performance of the work of Consultant pursuant to this Agreement, subject to Agency oversight.

B. Taxes; Licenses; Fees – Release; Withholding. The Consultant acknowledges that it is responsible for the payment of all charges and taxes applicable to the services performed under this Agreement, and the Consultant agrees to comply with all applicable laws regarding the reporting of income, maintenance of insurance and records, and all other requirements and obligations imposed as a result of the Consultant's status as an independent contractor. If the Agency is assessed, liable or responsible in any manner for those charges or taxes, the Consultant agrees to hold the Agency harmless from those costs, including attorney's fees.

In the event the Consultant fails to pay any taxes, assessments, penalties, or fees imposed by any governmental body, including a court of law, that are related to services performed under this Agreement, then the Consultant authorizes the Agency to deduct and withhold or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. Any such payments shall be deducted from the Consultant's total compensation.

C. Office Space. The Consultant shall provide at its sole expense all materials, office space, and other necessities to perform its duties under this Agreement, unless otherwise specified in writing.

D. Licenses; Permits. The Consultant, at its expense, shall obtain and keep in force any and all necessary licenses and permits.

E. No Third-Party Beneficiaries. This Agreement shall be for the sole benefit of the parties hereto, and nothing contained herein shall create a contractual relationship with, or create a cause of action in favor of, a third party against either party hereto.

IX. Indemnification.

A. The Consultant shall indemnify, defend, and hold harmless the Agency, its officials, officers, agents, employees, and volunteers, from any and all claims, demands, damages, lawsuits, liabilities, losses, liens, expenses and costs arising out of the subject matter of this Agreement; provided that this provision shall not apply to the extent that damage or injury results from the fault of the Agency, or its officers, agents, or employees. The term "fault" as used herein shall have the same meaning as set forth in RCW 4.22.015, as that statute may hereafter be amended.

B. The Consultant specifically assumes potential liability for actions brought by the Consultant's own employees against the Agency and, solely for the purpose of this indemnification and defense, the Consultant specifically waives any immunity under the state industrial insurance law, Title 51 RCW. THE CONSULTANT RECOGNIZES THAT THIS WAIVER WAS SPECIFICALLY ENTERED INTO PURSUANT TO THE PROVISIONS OF RCW 4.24.115 AND WAS THE SUBJECT OF MUTUAL NEGOTIATION.

C. These indemnifications shall survive the termination of this Agreement.

D. A waiver or failure by either party to enforce any provision of this Agreement shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of this Agreement.

X. Insurance.

A. During the course and performance of the services herein specified, Consultant will maintain the following insurance coverage:

1. Workers' Compensation and employer's liability --statutory limits.

2. Commercial General Liability --$1,000,000 single limit combined for personal injury, property damage; $2,000,000 aggregate.

3. Automobile public liability and property damage--$1,000,000 single limit combined for bodily injury and property damage.

4. Professional liability or errors and omissions --$1,000,000 combined single limit for errors and omissions resulting in monetary loss normally covered by professional liability insurance.

B. Certificates of the above insurance coverage shall be delivered, within *thirty* (30) days, to the Agency by Consultant's insurance carrier or agent certifying the above insurance coverage items are in effect and will not be cancelled or materially changed without thirty (30) days' written notice given to the Agency. The commercial general liability policy

shall be on an occurrence basis and shall include an endorsement naming the Agency as an additional insured and stating that coverage under such policy is primary over and non-contributory with any insurance the Agency may maintain.

C. Approval of the insurance by the Agency shall not relieve or decrease the liability of Consultant for any damages arising from Consultant's performance of the Work.

XI. Non-discrimination.

The Consultant agrees to take all steps necessary to comply with all federal, state, and Agency laws and policies regarding non-discrimination and equal employment opportunities. The Consultant shall not discriminate in any employment action because of race, creed, color, national origin, honorably discharged veteran or military status, marital status, sex, age, or the presence of any sensory, mental or physical handicap, or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification. In the event of non-compliance by the Consultant with any of the non-discrimination provisions of this Agreement, the Agency shall be deemed to have cause to terminate this Agreement, in whole or in part.

XI. Conflict of Interest.

No officer, employee or agent of the Agency, nor any member of the immediate family of any such officer, employee or agent, shall have any personal financial interest, direct or indirect, in this Agreement, either in fact or in appearance. The Consultant shall comply with all applicable federal, state, and Agency conflict of interest laws, statutes, regulations and policies. The Consultant represents that the Consultant presently has no interest and shall not acquire any interest, direct or indirect, in the program to which this Agreement pertains which would conflict in any manner or degree with the performance of the Consultant's services and obligations hereunder. The Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by Consultant.

XII. Interpretation and Venue.

A. Choice of Law; Venue. Washington law shall govern the interpretation of this Agreement. King County shall be the venue of any arbitration or lawsuit arising out of this Agreement.

B. Severability. If one or more of the clauses of this Agreement is found to be unenforceable, illegal or contrary to public policy, the Agreement will remain in full force and effect except for the clauses that are unenforceable, illegal or contrary to public policy.

C. Complete Agreement. This Agreement constitutes the complete and final Agreement of the parties, replaces and supersedes all oral and/or written proposals and Contracts heretofore made on the subject matter, and may be modified only by a writing signed by

both parties. All attachments and addendum are incorporated herein by this reference, and shall be a part of this contract instrument.

XIII. Notice.

All notices which may be or are requested to be given, pursuant to this Agreement, shall be in writing and deemed given when personally delivered, or when deposited in the United States Mail, postage prepaid, and marked registered or certified mail, return receipt requested, and addressed to the Parties at the following addresses unless otherwise provided for herein:

Agency: FileLocal
Attn: Program Manager
700 Fifth Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

Consultant: Michael R. Kenyon, Managing Member
11 Front Street So.
Issaquah, WA 98027-3820
Tel: 425/391-4824
Fax: 425/391-7071

Either Party may change the address to which notices shall be sent by notice to the other Party.

XIV. Miscellaneous.

A. This Agreement will be considered valid once signed by both parties.

B. Time is of the essence of this Agreement in each and all of its provisions in which performance is a factor.

C. Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but shall be cumulative with all other remedies available to Agency at law or in equity.

D. The titles to the paragraphs of this Agreement are solely for the convenience of the parties and are not an aid in the interpretation of the instrument.

E. It is agreed by and between the parties hereto that in no event shall any official, officer, employee, or agent of Agency be in any way liable or responsible for any covenant or agreement herein contained whether express or implied, nor for any statement of representation made herein or in any connection with this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first written above.

AGENCY	**KENYON DISEND, PLLC**
Jamie Carnell Program Manager	Michael R. Kenyon Managing Member
Date Signed _____	Date Signed:_____

EXHIBIT "A"

SCOPE OF WORK

Consultant shall provide the following legal services:

Serve as general legal counsel to the Washington Multi-City Business License and Tax Portal Agency (“Portal Agency”).

Chris Bacha will be the primary assigned attorney to the Portal Agency.

EXHIBIT "B"

HOURLY RATE SCHEDULE FOR YEAR 2014

ATTORNEYS:

Partners and Senior Attorneys:	
Michael R. Kenyon	$280.00
Bruce L. Disend	$280.00
Chris D. Bacha	$245.00
Kim Adams Pratt	$245.00
Kari L. Sand	$230.00
John "Jay" P. Long Jr.	$230.00
Associate Attorneys:	
Rachel B. Turpin	$155.00
Danielle M. Evans	$155.00
Ann Marie Soto	$150.00

PARALEGALS:

Margaret C. Starkey	$115.00
Sheryl A. Loewen	$100.00
Pam M. Odegard	$100.00
Mary A. Swan	$100.00
Terry T. Curran	$100.00
Kathy I. Swoyer	$100.00

EXHIBIT "C"

FORM OF INVOICE

This form is intended to illustrate the information the Agency needs to process contract payments. The Agency prefers that Consultants use their standard business invoice forms so long as they include the following information. Consultants who do not have a standard business invoice form may use this form as their invoice. Your cooperation in providing us the information we are requesting will ensure prompt processing of your payments.

I HEREBY REQUEST PAYMENT FOR SERVICES:

AS PER CONTRACT No.:_____ **AMOUNT DUE:**_____

I HEREBY CERTIFY THAT THIS BILL IS CORRECT AND JUST AND THAT PAYMENT HAS NOT BEEN RECEIVED. I FURTHER CERTIFY THAT ALL SERVICES UNDER THIS CONTRACT HAVE BEEN PERFORMED.

BY:_____ **DATE SIGNED:**_____
SIGNATURE:

TITLE:_____

ORGANIZATION NAME:_____

SS No. OR FEDERAL TAX ID No.:_____

TELEPHONE NUMBER:_____

PLEASE REMIT PAYMENT TO: (Name & Address of Vendor)

I attest that these services have been completed as per the contract.

_____
Contract Coordinator Signature

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

FileLocal Resolution FL2014-19
Briefing Paper

Date: September 22, 2014

Issue: Should the Executive Board of Washington Multi-City Business License and Tax Portal Agency ("Portal Agency") authorize the chair to execute "An Agreement for Assignment of Staff and Provisions of Related Office Space and Other Support" with the City of Seattle?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-19 to authorize the chair to execute an agreement with the City of Seattle for Assignment of Staff and Provisions of Related Office Space and Other Support effective through December 31, 2018, unless terminated earlier.

Rationale:

Sections 10.a and 11.d of the Washington Multi-City Interlocal Business License and Tax Portal Agency Interlocal Agreement contemplate an agreement with a participating city to provide staff and auxiliary services.

The Portal Agency is in need of qualified personnel, space for those personnel to operate from, and equipment and materials to support their work.

The City of Seattle can provide employee resources to the Agency.

Background:

The City of Seattle and the Portal Agency negotiated a set of terms to provide services including but not limited to assignment of support staff, support staff reporting, backfill of support staff positions, support staff office space, equipment, and supplies, records, payment, allowable costs, dispute resolution, property, insurance, and termination.

The Executive Board and Operations Committee have been briefed on a regular basis during public meetings about the progress of negotiations. At the July 16, 2014 Executive Board meeting, the Board received a draft of the proposed agreement. The Operations Committee also reviewed the agreement at their September 8, 2014 meeting.

RESOLUTION NO. 2014-19

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board authorizing the chair to execute "An Agreement for Assignment of Staff and Provisions of Related Office Space and Other Support" with the City of Seattle.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Executive Board Interlocal Agreement ("Agreement") Sections 10.a and 11.d contemplate an agreement with a participating city to provide staff and auxiliary services;

Whereas, the Portal Agency is in need of qualified personnel, space for those personnel to operate from, and equipment and materials to support their work;

Whereas, the City of Seattle can provide employee resources to the Agency, and

Whereas, the City of Seattle and the Portal Agency negotiated a set of terms to provide services including but not limited to assignment of support staff, support staff reporting, backfill of support staff positions, support staff office space, equipment, and supplies, records, payment, dispute resolution, property, insurance, and termination;

Now Therefore,

BE IT RESOLVED by the Executive Board of the Washington Multi-City Business License and Tax Portal Agency:

SECTION 1. The Executive Board hereby adopts An Agreement for Assignment of Staff and Provisions of related Office Space and Other Support as set forth in Exhibit A to this Resolution.

ADOPTED this 22nd day of September, 2014.

ATTEST:

Washington Multi-City Business License and Tax Portal Agency Executive Board
Seattle, Washington

Board Secretary

Board Chair

AGREEMENT FOR ASSIGNMENT OF STAFF
AND PROVISION OF RELATED OFFICE SPACE AND OTHER SUPPORT

THIS AGREEMENT is entered into between the City of Seattle (the "City") and the Washington Multi-City Business License and Tax Portal Agency ("Agency") (collectively, the "parties") for the purposes hereinafter stated.

RECITALS

WHEREAS, the Agency was created as a separate legal entity and municipal instrumentality by an interlocal agreement between the cities of Seattle, Bellevue, Everett and Tacoma effective as of March 1, 2014 (the "Interlocal Agreement"); and

WHEREAS, the Agency was created for the purposes of facilitating the development and overseeing and managing operation of an internet web application gateway ("Portal"), where tax collection and business licensing functions of participating cities can be collectively administered and where businesses operating in multiple cities can use a "one-stop" system for tax payment or business license application filing; and

WHEREAS, the Agency is in need of qualified personnel, space for those personnel to operate from, and equipment and materials to support their work; and

WHEREAS, the Agency and the City will by separate agreement outline the specific terms associated with the loaning and use of information technology and electronic records systems; and

WHEREAS, the City can provide employee resources to the Agency for the purposes and under the terms specified in this Agreement and the Agency will reimburse the City costs incurred in so doing; and

IN CONSIDERATION of the terms and conditions set forth below, the parties agree as follows:

Section 1. **Purpose**. The purpose of this Agreement is to set forth the terms of the loan of employees and provision of certain office space, facilities, equipment and materials support from the City to the Agency. It is the intent of this Agreement that, with regard to work performed for and on behalf of the Agency, the Program Manager shall be supervised by the City and take direction from the Agency Board, through the Board Chair, and that the administrative support staff person and the Project Manager/Business Analyst will be supervised by and take direction from the Program Manager.

Section 2. **Term of Agreement**. This Agreement shall take effect and be in force from and after its signature by both parties and shall continue in effect until December 31, 2018, unless earlier terminated per Section 17.

Section 3. **Assignment of Support Staff**. Seattle agrees to loan support staff, specifically, to perform the duties of, a Program Manager, an administrative support staff person and a Project Manager/Business Analyst. Collectively, these three (3) individuals are referred to in this Agreement as the "Support Staff." The qualifications and job descriptions for these three Support Staff are defined in Attachments A, B and C.

a. Support Staff shall be and remain employees of the City of Seattle for all purposes, and will perform in accordance with the City's personnel rules, including without limitation, rules regarding hours of work, daily schedule, accrual and use of vacation and sick leave, and pension, medical, dental and other employee benefits, evaluation and promotion. The administrative support staff position is an Admin Spec II position and is represented by Local 17 union, and shall remain subject to the terms and conditions of that union's collective bargaining agreement with the City.
b. The Agency shall have no authority over the salaries, benefits or discipline of any of the Support Staff or staff providing backfill to Support Staff. The Agency shall be consulted on performance reviews and disciplinary actions for the Support Staff, and may at any time provide input to the City Finance Director concerning the performance or conduct of any of the Support Staff or backfill staff.
c. Backfill staff are those City of Seattle employees temporarily assigned to perform duties of a support staff person during an extended leave as set forth in Section 6 below.

Section 4. **Selection and Replacement of Support Staff.**

a. Any individual serving in a Support Staff position shall be selected through a process conducted by the City consistent with the City's personnel policies and this Agreement. An individual will be offered employment on such terms as the City deems appropriate, consistent with the City's salary and benefit plans.
b. Prior to extending an offer of employment or re-assignment to any candidate, the City will give the Agency notice of the identity and qualifications of the candidate the City wishes to select and an opportunity to interview the candidate. The Agency will give notice in response to the City within 10 business days of the later of the notice of the candidate or the Agency's interview, if any, if the Agency does not consent to the selection. If the Agency does not give timely notice of non-consent, it will be deemed to have consented. If the Agency consents to the selection, the City shall assign the candidate to the Support Staff, or, if the candidate is external, in reliance on such Agency consent, make the offer of employment and assign the employee to the Support Staff position, effective as soon as reasonably practicable. If the Agency gives timely notice that it does not consent, the City may advance another candidate or candidates, or give notice of termination of the Agreement effective in not less than 30 days.

c. A support staff position shall be deemed vacant by reason of the City terminating or
reassigning the employee (whether such reassignment is initiated by the employee or the City), or the employee quitting or otherwise leaving the City's employment .

d. The cost of City staff time involved in an internal or external hiring process shall be on an hourly rate for any hourly employees involved and shall be calculated as a percentage amount of salary for non-hourly employees involved, and billed to the Agency per Section 10.

e. If a support staff position is vacated for reasons other than an Agency request to do so, the City shall pay costs associated with identifying and putting in place a new employee.

f. If the Agency wishes to terminate the *assignment* of the employee assigned as Program Manager, it must give the City 60 days' written notice before termination of the assignment is effective, and at the City's request shall provide an explanation for the desired termination. The Program Manager is responsible for supervision of the administrative support staff person and the Project Manager/Business Analyst, who shall be accountable for their performance. Removal of the administrative support staff person and project manager/business analyst from their assignments as loaned staff is a decision to be made at the discretion of the Program Manager and City Finance Director; provided that, nothing herein shall prevent the Agency from requesting termination of *assignment* of the employee assigned as project manager/business analyst or as support staff.

Section 5. **Support Staff Reporting**.

a. The Program Manager shall report to his/her direct supervisor at the City and shall communicate regularly with the Agency Chair, or in the absence of the Chair, the Vice-Chair, to report upon and receive guidance regarding performance. The Program Manager shall be a full time employee under the City's personnel rules and shall be assigned the equivalent of full time to perform consistent with the duties of Program Manager for the Agency.

b. The administrative support staff position (a 0.5 full-time equivalent position) shall report to the Program Manager with respect to Agency performed under this Agreement. The individual assigned to this position shall perform for the Agency at a level equivalent to a 0.5 full time equivalent employee as per the City's personnel rules. This individual may be a full time City employee and perform other duties for the City.

c. The Project Manager/Business Analyst shall report to the Program Manager. The Project Manager/Business Analyst shall be a full-time employee under the City's personnel rules and shall be assigned the equivalent of full time to perform

consistent with the duties of Project Manager/Business Analyst for the Agency.

e. All work product of the support staff created or produced under this Agreement shall be considered works made for hire and the property of the City. The City hereby grants to the Agency a perpetual, royalty-free, fully-paid license to use, copy, modify re-produce, and distribute any and all of that work for any lawful purpose.

Section 6. Interim Backfill of Support Staff Positions.
The City may determine that backfill of a Support Staff member for a period of less than 3 consecutive work weeks is appropriate and assign a City employee to provide such backfill at its sole discretion.

The City will notify the Agency if Support Staff are scheduled for vacation, or are on sick leave or are absent for other reasons, for a period that is anticipated to or actually lasts for more than 3 consecutive work weeks, or if Support Staff position has been vacated and a process to replace the employee is ongoing. After receiving such notification, the Agency may request interim backfill of the absent Support Staff position.

Should backfill of an employee occur either by exercise of the Agency's option to request it, the City will promptly determine whether it has an employee or employees qualified (based on the job qualifications and job description for the Support Staff position attached to this Agreement) and available to serve as interim backfill for the absent Support Staff position, and shall provide notice to the Agency of same. The City shall provide an opportunity for the Agency to meet with any proposed "backfill" employee(s).

The Agency shall notify the City within five business days of the later of the notice of the proposed backfill candidate's identity or the Agency's interview if it does not consent to a proposed backfill employee candidate. If the Agency does not provide timely notice that it does not consent to a proposed backfill employee, it will be deemed to have consented. If the Agency does not consent to a proposed backfill employee candidate, the City may advance another candidate or candidates or give notice of termination of the Agreement effective in not less than 30 days.

The Agency shall be responsible for paying the City for the cost of any backfill employee ("Backfill Costs") during such time as the backfill employee is assigned to the Agency, as further described in Section 10.

Section 7. Conflict of Interest. The parties acknowledge that situations may arise (e.g., in the context of the Interlocal Agreement or other activity) in which the City's interests and the Agency's interests are not aligned or where there is either in fact or in appearance a conflict of interest arising from the personal financial interest of an officer, employee or agent of either party, or any member of the immediate family of any such officer, employee or agent, in this contract (collectively or individually a "conflict"). The parties agree that should the Agency or

the City (including an individual Support Staff) believe a conflict situation will arise or has arisen, it will promptly notify the other party. If the other party states in writing that it does not agree a conflict exists, the parties will ask the City of Seattle Ethics and Elections Commission for an advisory opinion as to whether involvement of a City employee on loan to the agency in a particular matter presents a conflict of interest under City ethics rules, and shall abide by its determination. Should a conflict be identified, the conflicted employee, officer or agent shall recuse him or herself from the conflicted matter.

Section 8. **Support Staff Office Space, Equipment and Supplies**. The City will provide, equip and maintain office space in the City's Finance and Administrative Services Division ("FAS") offices for the Support Staff. Such office space shall be equipped with computers, telephone and other equipment and supplies consistent with the usual and customary practice for other similarly situated FAS employees; provided further that:

a. Email: The City will provide an email address with a "FileLocal" identifier for Support Staff that they can utilize when performing work for the Agency under a separate agreement.

b. Telephone: Telephone numbers for Support Staff will not be changed by the City on less than 30 days advance notice.

c. Conference Rooms: Support Staff and Agency may utilize FAS and other City conference rooms for Agency meetings but generally on an 'as available' basis, similar to that allowed for other FAS staff.

d. Computer Systems. The City will provide computer systems and electronic records storage under terms agreed in a separate agreement.

e. Office Supplies: The City will provide routine office supplies (paper, access and use of computer printers, staples, file folders, tape, pens, pencils, etc.) at no additional cost to the Agency. Agency shall provide any and all customized office supplies (e.g., letterhead, pre-printed envelopes, pre-printed customized forms, business cards, mailers) at its sole cost.

f. Printing: Support Staff shall be permitted to use City printers for routine day-to-day administrative use (including without limitation preparation of correspondence, notes, meeting materials). The Agency shall be responsible for printing any publications, flyers or mailers tailored for its subscriber and member cities and/or potential business customers.

g. Limitation on Use of City office space: FAS office space where Support Staff will be housed is secure space and access by persons other than Support Staff shall be required to follow security procedures established by the City, which may include, but not be limited to, the presentation of identification, being restricted to specific

areas of the building and being escorted and observed when in the building. The City deserves the right to deny access in its sole discretion.

h. No Rent. No rent shall be charged for the use of space, equipment or supplies except for any costs associated with electronic records storage payable under separate agreement as described by subsection 8.d above, and Section 9.

Section 9. FileLocal Records. The Agency acknowledges that it is a public agency subject to public records requests under state law. The City will provide the Agency and Support Staff with the ability to store Agency records at Seattle facilities. The Agency shall have responsibility for: (1) preservation of Agency public records as required by state law; (2) responding on a timely basis to public records requests for Agency records as required by state law; and (3) putting into place means and methods for segregation of Agency records from City records except as provided in the Agreement to Provide Email and Messaging Services.

The Agency is solely responsible for responding to public records act requests for Agency records in compliance with state law; provided that, in the event that the City receives a public records request that is related to or includes a request for public records of the Agency, the City shall, as soon as reasonably practicable after receipt of such a request, notify and provide a copy of the request to the Agency, by and through the Program Manager. The Agency has sole liability for violations of the Washington Public Records Act, RCW Chapt. 42.56.

a. Paper Records. The City will provide lockable file cabinets in FAS offices readily accessible to the Support Staff in order to store paper records for Agency administration, and Support Staff shall be provided with the keys to such cabinets. The Agency will be responsible for archiving of any records no longer needed on premises.

b. Electronic Records. The City will provide dedicated computer server space for storage of Agency electronic records. The specific terms associated with electronic records storage will (cost, technology, access, etc.) will be addressed under a separate agreement between the parties.

Section 10. Payment. The City will bill the Agency 30 days following each calendar quarter for actual costs incurred in that quarter, and any such costs that were incurred in prior quarters but not yet billed. The costs covered by this provision are any expenses to the City associated with recruitment of, employment of and replacement of support staff. Such expenses include cost of the support employees themselves as well as cost of using other City staff, e.g., backfill employees and those who are supervising, recruiting, or otherwise providing administrative support related to employment of Support Staff and backfill employees and their performance of Agency work. Costs include those set forth below, which shall be calculated on a pro-rata basis for work time by such employees not assigned full time in this capacity:

1. Salary, including all applicable paid leave.
2. Any “Step increases” payable.

3. Cost of Living Allowance.
4. City's contribution to pension for the Support Staff.
5. Workers Compensation costs.
6. Unemployment insurance.
7. Medical/dental benefits costs.
8. Other federal/state taxes attributable to the employment of the Support Staff.
9. Smartphone stipend for the Program Manager.
10. Death or disability benefits.
11. Any particular provisions of CBA re pay or reimbursement, if applicable and paid by the employer.

By June 1 of each year, the City will provide the Agency a written good faith estimate of Chargeable Costs for the following calendar year, broken out by cost items 1 – 11 above and by employee. This good faith estimate, adjusted as may be agreed between the Parties, will be used by the Agency for budget development for the following year, but is not a limitation on charges that will ultimately be made based on actual costs incurred by the City, as set forth above, and may not include all elements of personnel expense that may be associated with the staff employees.

a. The Agency will pay Seattle for costs billed within 30 days of receipt of each quarterly bill.

b. In the event the Agency disagrees with the billed costs, it will provide notice to the City within 20 days of receipt of the bill. Any amounts that are not in dispute shall be paid by the Agency in accordance with Section 10.a. A representative from the City and from the Agency will meet and attempt to resolve the matter before the date on which the quarterly bill is due. If the Parties do not reach agreement, the matter will be addressed through the Dispute Resolution Process set forth in Section 11. Interest on overdue amounts shall be paid as required by law at 1% per month.

Section 12. **Property**. No real or personal property is to be acquired jointly by the parties under this Agreement. Any improvements to the office space for Support Staff or for Agency records storage space shall become property of the City, except that any trade fixtures or records storage equipment/ furnishings or other equipment/furnishings paid for by the Agency shall remain the Agency's property and may be removed by the Agency upon termination of this Agreement.

Section 13. **Insurance**. Each party shall be responsible for obtaining and maintaining its own liability and property insurance against losses or liability related to this Agreement. Except to the extent that a claim is attributable to the fault of the City, any and all claims by loaned staff in the course of their work on behalf of the Agency or that result from or are associated with acts or omissions by loaned staff in the course of their work on behalf of the Agency shall

be covered by and paid from Agency insurance. City insurance shall only apply to such claims should losses or liability exceed the coverage of Agency insurance.

Section 14. **No Third Party Beneficiaries**. There are no third party beneficiaries to this Agreement. No person or entity other than a party to this Agreement shall have any rights hereunder or any authority to enforce its provisions, and any such rights or enforcement must be consistent with and subject to the terms of this Agreement.

Section 15. **Amendment.** This Agreement may be amended at any time, in writing signed by the authorized representatives of both parties.

Section 16. **Termination**. Except as provided in Section 5 and 6 above, either party may terminate this Agreement with or without cause upon ninety (90) days written notice to the other party. No later than the 30th day following the notice of termination, Agency shall vacate the City's space.

Section 17. **Notice**. Notices under this Agreement shall be in writing may be given by mail, overnight delivery, facsimile, email (with confirmation of transmission) or personal delivery, and shall be to the following persons:

To City:
Glen Lee,
City of Seattle Finance Director
700 Fifth Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

To Agency:
Andy Cherullo,
City of Tacoma Finance Director
747 Market St
Tacoma, WA 98402

Written notices given by mail shall be deemed received three (3) days after the same are deposited in the United States Mail, postage prepaid, addressed as provided above.

Section 198. **Administration**. No separate legal or administrative entity is created by this Agreement. The Director of Finance and Administrative Services for the City and Chair of the Agency Executive Board will jointly administer this Agreement; provided that, in the event that the then-current Chair is a representative of the City, the Vice-Chair shall administer this agreement on behalf of the Agency.

Section 19. **Governing Law**. This Agreement shall be governed by the laws of the State of Washington.

Section 20. **Venue**. The venue for any action related to this Agreement shall be the Superior Court in and for King County, Washington, at Seattle.

Section 21. **Severability.** If any section, sentence, clause or phrase of this Agreement is held

to be invalid or unconstitutional by a court of competent jurisdiction, the invalidity or unconstitutionality does not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Agreement.

Section 22. **Listing**. Each party shall prior to the effective date of this Agreement, list this Agreement by subject on its web site.

Section 23. **Entire Agreement**. This Agreement represents the entire understanding and agreement of the parties concerning its subject matter and supersedes all prior discussions and understandings. This Agreement may be modified only by written instrument signed by both parties.

IN WITNESS WHEREOF, this Agreement has been executive by each party on the date set forth below.

The City of Seattle	Washington Multi-City Business License and Tax Portal Agency, d/b/a FileLocal
_____	_____
Fred Podesta, Director Department of Finance and Administrative Services	Andrew Cherullo, Chair, Executive Board
Date: _____	Date:_____
	ATTEST:
	_____
	Secretary, Executive Board

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Attachment A: Program Manager

Job Description:
The Portal Manager is the Chief Executive Officer of the Multi-City Business License and Tax Portal Agency ("the Agency") and reports to the Board of Directors, and is responsible for the organization's consistent achievement of its mission and objectives.

For the Executive Board, the Portal Manager will:

1. Assure that the organization has a long-range strategy which achieves its mission, and toward which it makes consistent and timely progress. Responsible for continued strategic and business planning including redevelopment and implementation of vision and mission as necessary. Also responsible the development of an annual work plan, subject to Board approval.

2. Provide leadership in developing program, organizational and financial plans with the Board of Directors, accounting agency and staff, and carry out plans and policies authorized by the board.

3. Promote active and broad participation by participating cities in all areas of the organization's work.

4. Ensure the Agency maintains official records and documents, and complies with federal, state and local regulations.

5. Maintain a working knowledge of significant developments and trends in the field.

In communications, the Portal Manager will:

1. See that the board is kept fully informed on the condition of the organization and all important factors influencing it.

2. Publicize the activities of the organization, its programs and goals.

3. Establish sound working relationships and cooperative arrangements with community groups and organizations.

4. Represent the programs and point of view of the organization to agencies, organizations, and the general public.

In relations with staff, the Portal Manager will:

1. Be responsible for the recruitment, employment, and release of all personnel, both paid staff and volunteers.

2. Ensure that job descriptions are developed, that regular performance evaluations are held, and that sound human resource practices are in place.

3. See that an effective team, with appropriate provision for succession, is in place.

4. Encourage staff development and education, and assist program staff in relating their specialized work to the total program of the organization.

5. Maintain a climate which attracts, keeps, and motivates a diverse staff of top quality people.

In budget and finance, the Portal Manager will:

1. Be responsible for developing and maintaining sound financial policies and practices.

2. Work with the staff, vendor, Operations Committee, and the board in preparing a budget and work plan; oversee the implementation of the work plan within budget guidelines.

3. Ensure that adequate funds are available to permit the organization to carry out its work.

4. Manage all aspects of the contracted service model, including requests for proposals, scoping, and contract management and reporting.

5. Jointly, with the president and secretary of the Executive Board, conduct official correspondence of the organization, execute such legal documents as may be authorized by the Agency Bylaws

In Day-to-Day Operations, the Portal Manager will:

1. Participate in recruitment, interview, selection, disciplining and evaluation process for directly supervised staff and other key positions. Hiring, evaluating and disciplining staff is the responsibility of the Portal Manager.
2. Maintain administrative reports and statistical information on all aspects of the portal as defined by the Portal Operations Guide.
3. Prepare and maintain budgets, all necessary financial reporting, assure that the Portal Agency utilizes general acceptable accounting practices (GAAP).
4. Functions and administers Portal Agency under personnel policies, fiscal policies and other policies and procedures adopted by the Executive Board.
5. Organize, plan, supervise, coordinate and assign work to Portal Agency staff.
6. Oversee all operational and administrative functions of the Portal Agency
7. Other duty necessary to assure that the Agency is operating in an efficient manner.
8. Manage the Agency in line with the established goals, aims and objectives approved by the Executive Board.
9. Responsible for the application, implementation and interpretation of established Board policies in the operation of the Portal and oversight of all Agency staff. Acts as the liaison between the Executive Board and the Agency staff.
10. Attends all meetings of the Executive Board, committee meetings, and provides direction and input into decisions affecting the Portal Agency and its staff.
11. Support the Executive Board
    a. ensure integrity and strength of Board leadership and address issues around clarity of role, governance, bylaws/policies and corporate structure
    b. assist with the cultivation and recruitment of new Board members
    c. prepare reports to the Executive Board and the Operations Committee
    d. provide staff support and attend various Committee meetings
12. Between Executive Board meetings provide, as appropriate, general information, policy changes, and developments to the Chair and Vice-Chair of the Executive Board.

13. Strategize the organization's short range and long range program goals particularly in organizing and planning:
    a. establish, cultivate and maintain relations with donors, foundations, and other resources to support organizational programs and activities
    b. maintain accountability for current year operating budget
14. Serve as the Agency organization’s principal leader, representative and spokesperson to the greater community.
15. Interact with elected officials and external agencies, providing direct or indirect briefings with the Board, Committee, and other external entities and/or staff.

Attachment B: Administrative Support Position

Job Description:
Serves as the primary administrative staff resource for the Portal agency and reports to the Portal Manager.

Provides administrative staff support to the following groups:

- Executive Board
- Operations Committee
- FileLocal Vendors

This involves planning board and committee meetings, coordinating logistics utilizing internal and external resources – including securing facilities, rooms, and technology (including setting up teleconferences when necessary). Track Board and Committee membership, and member participation. Build event itineraries, prepare and distribute Board and Committee packets and meeting minutes, and draft agendas.

Manage document archive, and respond to Public Information and Public Disclosure Requests. Responsible for analyzing, drafting, editing, formatting and managing agency documentation.

Attachment C: Project Manager/Business Analyst

Job Description:
Serves as the primary information technology staff resource for the Portal Agency. This staff resource reports to the Portal Manager and coordinates technology projects for the Portal Agency.

Project Manager/Business Analyst will be responsible for planning, executing, tracking and reporting Tax Portal implementations and deployment to cities.
This includes:

Projects

- Developing and managing launch plans and timelines
- Building and managing project requirements
- Managing stakeholders and team
- Managing and communicating schedules
- Managing implementations and working with city and vendor teams to optimize efficiencies and process
- Tracking, reporting and presenting progress to Operations Committee
- Issue and Risk management and solving
- Communicating to stakeholders and executive management

Sustaining Support:

- Managing the relationship with the Tax Portal vendor – includes (but not limited to):
    - Change requests
    - Troubleshooting and Bug Management
    - Enhancements
    - Version updates
- Managing the relationship with the Tax Portal cities – includes (but not limited to):
    - Technical Service Level Agreements and Operating Agreements
    - Quality Assurance (Data, Technical, Security, Process and Service)
    - Problem and Issue Analysis and resolution coordination
    - Incident and recovery coordination with cities/liaison with Vendor(s)
    - Technical Documentation (System, Process, Service, etc.)
    - Support reporting and analysis (business data, Ops performance measures)
    - Data Stewardship

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

FileLocal Resolution FL 2014-20
Briefing Paper

Date: September 22, 2014

Issue: Shall the Washington Multi-City Business License and Tax Portal Agency ("Agency") Executive Board approve policies related to delegation of authorities; communications; electronic signatures; emergencies, and finances?

Recommendation: The Portal Agency Executive Board should pass Resolution FL 2014-20 approving the operating policies as described in Attachment A to Resolution FL 2014-20.

Rationale: The Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement ("Agreement") requires the development of Portal Agency Operating Policies.

Operating Policies will be developed over time and will be subject to amendments. This package of policies addresses:

- Delegation of authorities
- Communications
- Electronic signatures
- Emergencies
- Finances

Resolution FL 2014-15 established policies related to disbursements. This package includes additional financial policies on the topics of:

- Internal controls
- Accounting systems
- Budget
- Cash management
- Cash receipts and deposits
- Cash disbursements (previously approved)
- Revenues and receivables
- Procurement and contract management
- Capital asset management
- Journal entries
- Financial reporting

The Agency's accounting firm drafted the financial policies.

The Agreement specifies that the Operations Committee shall assist in the review of Operating Policies and amendments.

The Operations Committee reviewed these policies at their September 8, 2014 meeting.

Approval of Operating Policies requires a supermajority vote of the Executive Board.

RESOLUTION NO. 2014-20

A Resolution of the Washington Multi-City Business License and Tax Portal Agency Executive Board approving Portal Agency Operating Policies related to delegation of authorities; communications; electronic signatures; emergencies, and finances.

Whereas, the Washington Multi-City Interlocal Business License and Tax Portal Agency ("Portal Agency") Interlocal Agreement ("Agreement") requires the development of Portal Agency Operating Policies;

Whereas, the Agreement contemplates that the Operating Procedures shall include policies to protect sensitive Taxpayer data, and ensure the relationship between the Portal and Participating Cities remains fully functional and secure, the Executive Board shall adopt a Portal Operations Policy and policies to determine the timing of payments by Participating Cities;

Whereas, the Agreement specifies that the Operations Committee shall assist in the review of Operating Policies and amendments thereto;

Whereas, Operating Policies will be developed over time and subject to amendments, and

Whereas, approval of Operating Policies requires a supermajority vote of the Executive Board;

Now Therefore,

BE IT RESOLVED by the Executive Board of the Washington Multi-City Business License and Tax Portal Agency:

SECTION 1. The Executive Board approves the Operating Policies chapter related to delegation of authorities; communications; electronic signatures; emergencies, and finances as described in Attachment A to this resolution.

ADOPTED this 22nd day of September, 2014.

ATTEST:

Washington Multi-City Business License and Tax Portal Agency Executive Board
Seattle, Washington

Board Secretary

Board Chair

Purpose: Identifies and summarizes items FileLocal Executive Board has delegated to others

AUTHORITIES DELEGATED BY FILELOCAL EXECUTIVE BOARD	TOPIC	DOCUMENTATION	PROGRAM MANAGER	OPERATIONS COMMITTEE	OTHER	ACCOUNTANT	LEGAL	OIR
Executes agreements, deeds, etc involving expenditures less than $50,000	Fiscal	(B p10)	X					
Signs checks, drafts, warrants, credit cards or other orders for payment subject to such limits prescribed by Board resolution and conssitent with WA law. (In the absence of a provision - two officers sign.)	Fiscal	(B p10)	X					
Develops and reviews proposed agency budgets	Fiscal	(ILA 16-17)		X				
Advises on proposed budget	Fiscal	(ILA 18)	X					
Develops proposed operating budget in consultation with operations committee	Fiscal	(ILA 19)						
Submits quarterly budget and operation performance reports to Board	Fiscal	(ILA 18)	X					
Approves expenditures (Expenditures great than $10,000 also require Exec Board approval)	Fiscal	(Fiscal Manual, 6.1; FL2014-10)	x					
Reviews/approves cash disbursements	Fiscal	(Fiscal Manual, 6.2)	x					
Prepares checks, maintains and initiates electronic payments	Fiscal	(Fiscal Manual, 6.2)				X		
Reviews bank accounts and reconciliations	Fiscal	(Fiscal Manual, 6.2)	x					
Approves check requests (as authorized by Executive Board)	Fiscal	(Fiscal Manual, 6.3)				X		
Controls check stock	Fiscal	(Fiscal Manual, 6.4)				X		
Establishes and maintains accounting system	Fiscal	(FL2014-10)				X		
Prepares of financial statements	Fiscal	(FL2014-10)				X		
Provides external audit preparation and response	Fiscal	(FL2014-10)				X		
Conducts compliance monitoring, financial analysis, internal audits and other financial management and accounting services as directed by Board	Fiscal	(FL2014-10)				X		
Provides legal services regarding formation as a non-profit municipal corporation	Legal	(FL2014-04)					X	
Provides general legal counsel	Legal	(FL2014-04)					X	
Manages/oversees vendor performance	Operations	(ILA 18)	X					
Consults with Operations Committee on issues coming before Board	Operations	(ILA 18)	X					
Provide, equip, maintain office space for staff	Operations	(SLA, p4)			x Seattle			
Reviews and develops operations policy and amendments, new service options and other matters directed by Board	Policy	(ILA 16-17)		X				
Reports and recommends on policy matters deemed appropriate	Policy	(ILA 16-17)		X				
Assists in communications to City Councils, legislators, business community, etc.	Policy	(ILA 16-17)		X				
Conducts outreach to tech staff within respective cities	Policy	(ILA 16-17)		X				
Briefs executive board members	Policy	(ILA 16-17)		X				
Administers day-to-day operations consistent with policies	Policy	(ILA 18)	X					
Conducts outreach to taxpayers, licenses and businesses	Policy	(ILA 18)	X					
Advise on conflicts of interest	Policy	(SLA, p4)			x SEEC			

AUTHORITIES DELEGATED BY FILELOCAL EXECUTIVE BOARD	TOPIC	DOCUMENTATION	PROGRAM MANAGER	OPERATIONS COMMITTEE	OTHER	ACCOUNTANT	LEGAL	OIR
Preserves agency public records as required by state law, response to public records requests, segregation of agency records from city records	Policy	(SLA, p5)	X responsible for responding		X Seattle			
Outreach and communications with elected officials	Policy							X
Appoints other staff positions established by Board	Staffing	(B p9)	X					
Appoints persons to fill other staff positions (Administrative support staff, project manager/business analyst, etc.)	Staffing	(ILA 18, SLA 3)	X					
Backfills employees	Staffing	(SLA, p4)			X Seattle			

Revised 8/27/14

700 5th Avenue, Suite 4350
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FILELOCAL

Operating Policies

SUBJECT: Communications Protocols

Ensuring that taxpayers and the general public receive timely and accurate information regarding FileLocal is a communication priority. The FileLocal staff and cities are charged with communicating with external audiences about FileLocal. The FileLocal program manager coordinates communications and relies on partner cities' communication resources. Effective communication requires strategic direction, coordination and clear roles and responsibilities.

Commitment

All parties commit to act in good faith in seeking to work together in an open and forthright manner. Communications between the parties will be early and frequent to guarantee strong coordination, maximize opportunities and minimize surprises. The public will not typically distinguish between FileLocal and the individual cities. It will benefit all parties to work cooperatively to inform the public that we are effectively and safely providing the level of services people expect and deserve.

FileLocal and the cities will coordinate communications to ensure:

- Timely information is easily accessible to businesses and the public
- Communication goals are met
- Messages are consistent
- Appropriate credit is shared

Background

- FileLocal offer a web-based service that will make it easier for businesses to obtain a business license and pay local Business & Occupation (B&O) taxes, for multiple cities, from one website
- FileLocal is a municipal corporation authorized by state law to issue local business licenses and collect a variety of local taxes.
- FileLocal makes it easier and more efficient for businesses to apply for local business licenses and file local taxes while

allowing cities to retain local control over licensing and tax collection functions and policies.
- The Principal cities – Bellevue, Everett, Seattle, and Tacoma – jointly facilitated the creation of FileLocal.

Roles

- The FileLocal Program Manager, is the communications lead, primary spokesperson and media contact for FileLocal. The Program Manager is provided through a Service Level Agreement between the City of Seattle and FileLocal. If the Program Manager is not available, the role defers to the FileLocal Executive Board Chair.
    - Jamie Carnell (FileLocal, Program Manager)
    - Andy Cherullo (FileLocal Board Chair)

- An Executive Board (Board) governs FileLocal (a not-for-profit corporation under Washington law, formed as Washington Multi-City Business License and Tax Portal Agency). As such, it provides leadership and overall direction on FileLocal communications. The Board is comprised of four directors, representing each of the Principal cities:
    - Jan Hawn (Finance Director, City of Bellevue | FileLocal Treasurer)
    - Susy Haugen (Treasurer, City of Everett | FileLocal Secretary)
    - Glenn Lee (Finance Director, City of Seattle | FileLocal Vice Chair)
    - Andy Cherullo (Finance Director, City of Tacoma | FileLocal Chair)

- City communications staff provide on-the-ground communications support.
    - Julie Moore (Communications Director, FAS, City of Seattle)
    - David Grant (Public Information Officer, City Manager's Office, City of Bellevue)
    - Meghan Pembroke (Public Information Director, City of Everett)
    - Gwen Schuler (Media and Communications Manager, City of Tacoma)

- FileLocal's technical providers (vendors) are e-Gov and KUBRA.

- City Intergovernmental Relations staff also support the project.
    - Nick Harper (City of Seattle, nick.harper@seattle.gov)
    - Scott Plusquellec (City of Seattle, scott.plusquellec@seattle.gov)
    - Doug Levy (City of Everett, levy4@msn.com)
    - Joyce Nichols (City of Bellevue, jnichols@bellevuewa.gov)
    - Randy Lewis (City of Tacoma, rlewis@cityoftacoma.org)
    - Brihna Taylor (City of Tacoma, btaylor@gth-gov.gov)
    - Serena Dolly (Association of Washington Cities, serenade@awcnet.org)
    - Victoria Lincoln (Association of Washington Cities, victorial@awenet.org)

Protocols

The following protocols serve as guidelines for communicating effectively with external audiences. The protocols are intended to be fluid – capable of reacting to feedback and changes as needed. The protocols should be reviewed regularly to ensure that they are effective and appropriate as needs change. Activities include, but are not limited to:

- Providing information to businesses/citizens/public
- Providing information to other cities/units of government
- Meeting requests and correspondence
- Media relations
- Materials, including content development and production of digital, print, signage and identity
- Coordination with the public, agencies, consultants, vendors, etc.

1. External communications with the public, stakeholders and the media will be coordinated by the FileLocal Program Manager to leverage resources, ensure accuracy of information and to minimize surprises. City/Executive communication staff will be included in information sharing so that they are prepared to respond.

2. As the governing body, the FileLocal Board will review policy, finance and planning-related communications.

3. As the service provider, the Program Manager will lead operations-related communications. This includes but is not limited to communications related to:
    - Project preparation, testing, launch and maintenance
    - Ongoing services
    - Operations, contractors and personnel

4. Service incident protocols are being developed by e-Gov. Please refer to these separate protocols for additional detail.

5. Production of materials will be coordinated and reviewed by the Program Manager to ensure accuracy.
    - The FileLocal logo will be included on all communication materials. Principal city logos should only be added when the material reflects a jointly-sponsored event.
    - Boilerplate language agreed upon by all parties describing the relationship between the cities and FileLocal will be included. (*FileLocal is an easy and flexible online tool that provides a streamlined approach to applying for business licenses and filing B&O taxes with any Washington member city.)*
    - Development of materials will be assigned appropriately to utilize expertise and leverage resources efficiently. The lead entity will be responsible for generating first drafts of materials.
    - All drafts will be reviewed and approved by the Program Manager before distribution.
    - Every effort to provide reasonable review time will be provided (taking into account unforeseen circumstances or constraints). Similarly, timely approval of materials is expected.

6. Appropriate contacts will be alerted of all media contacts and meeting requests and provided a brief summary of the interaction in a timely manner.
    a. Reporter or organization name and contact information
    b. Summary of the request and deadline
    c. Coordination between FileLocal and cities on appropriate and available spokesperson
    d. Follow-up to confirm reporter or organization has received a response

7. FileLocal will maintain project information on its website. It will work with cities to coordinate web sites and minimize duplication and confusion.
    a. The FileLocal site will include governance, policy and planning issues.
    b. Cities will include a banner or icon on their websites that links to FileLocal. They will not duplicate or maintain FileLocal information on city websites.

8. Every effort will be made to maintain clear and timely internal communications between FileLocal and its partner cities. This includes, at a minimum, quarterly communication meetings between FileLocal and city communicators and regular reports from the Project Manager to the FileLocal Board.

Key Contacts

- FileLocal
  Jamie Carnell
  Program Manager
  http://www.seattle.gov/; http://filelocal.org/
  Jamie.Carnell-FLO@seattle.gov
  PO Box 94669, Seattle, WA 98124
  206-615-0493

- Principal Cities
  Julie Moore
  Communications Director, FAS, City of Seattle
  julie.moore@seattle.gov
  206-684-0480 direct, 206-684-0909 media

  David Grant
  Public Information Officer
  City Manager's Office, City of Bellevue
  dgrant@bellevuewa.gov
  425-452-4397 office, 206-450-5432 cell, 425-452-5247 fax

  Meghan Pembroke
  Public Information Director, City of Everett
  mpembrok@everettwa.gov
  425-257-8687 office, 425-418-0936 cell

Gwen Schuler
Media and Communications Manager, City of Tacoma
gwen.schuler@cityoftacoma.org
253-591-5160 office, 253-365-0463 cell

Conflict resolution

It is the intent of all parties to act in good faith on all matters. Should a dispute arise between the FileLocal Board, Program Manager, Vendor and/or cities over any of the agreed upon protocols or related to communications, the FileLocal Board Chair and Program Manager will be the main points of contact.

The parties shall seek in good faith to resolve any such dispute or concern by meeting, as soon as feasible. The meeting shall include the Chair of the Executive Board, the Program Manager, and not more than two (2) representative(s) of the City with positional authority to negotiate and resolve the dispute.

9/22/14

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FILELOCAL

Operating Policies

SUBJECT: Use of Electronic Signatures

PURPOSE: To detail the policy and procedures for control of signatures on resolutions and business correspondence and provide general direction on ensuring the authenticity, integrity, security, and accessibility of e-records including those that are electronically signed.

POLICY: Electronic signatures will be allowed for the officers of the Executive Board subject to the security procedures described below.

RESPONSIBILITY: Program Manager

PROCEDURE:

1. An electronic version of resolutions approved by the Executive Board shall be provided by the Program Manager to the signature authority such as the chair, vice, chair, secretary, and/or treasurer as appropriate for the document to be signed.

2. The signature authority shall sign in blue ink a printout of the document and return a scanned version of the signed document to the Program Manager along with an email stating that the attached document is signed and approved.

3. The signature authority may also send an email to the Program Manager stating in writing that the Program Manager is authorized to sign for the Executive Board member.

4. Guidelines for the retention and preservation of electronically signed records, including maintaining the attachment or logical association between the signed record and signature, will be addressed separately in the policy on public records.

9/22/14

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FILELOCAL

Operating Policies

SUBJECT: Emergency Procedures

PURPOSE: To clarify roles and responsibilities in the event of an emergency.

POLICIES:

1. FileLocal staff shall follow City of Seattle emergency procedures during the term of the Agreement between FileLocal and the City of Seattle for using City of Seattle office space.
2. Security procedures and roles and responsibilities during an emergency related to the tax portal are described in the service provider agreement between the City of Seattle and E-Gov.
3. FileLocal shall have a management group responsible for contingency plans including a line of succession.

RESPONSIBILITY: Program Manager

PROCEDURE:

1. The Program Manager shall brief the Executive Board on all emergency plans included within the City of Seattle emergency procedures, tax portal service agreement, and communications policies.
2. The Agreement between FileLocal and the City of Seattle provides that the City may backfill a support staff member for a period of less than three consecutive weeks.
3. The line of succession for the Program Manager Jamie Carnell is as follows: Information Technology Business Analyst (Project Manager).
4. The Executive Board shall establish a line of succession in the event of an emergency that affects personnel in the City of Seattle including the Program Manager Jamie Carnell, and Vice Chair Glenn Lee. This succession is as follows: Andy Cherulla, City of Tacoma, Executive Board Chair; Jan Hawn, City of Bellevue, Executive Board Treasurer.

9/22/14

WASHINGTON MULTI-CITY BUSINESS & TAX PORTAL AGENCY

FILELOCAL

FISCAL MANUAL

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1. INTERNAL CONTROL

FILELOCAL

FISCAL MANUAL

SUBJECT: Internal Controls

PURPOSE: To ensure that FileLocal assets are received when tendered, protected while in custody, and used only for the purpose intended. The objectives are to segregate duties and responsibilities so that one person does not handle all phases of a transaction, and establish policies and procedures so that errors, omissions, and irregularities are detected and minimized.

POLICY: Policies and procedures established for the accounting function shall be designed to achieve and preserve, to the maximum practical extent, internal controls to safeguard the assets of FileLocal, minimize and detect errors and omissions, and maintain an audit trail for independent review of FileLocal's activities.

RESPONSIBILITY: Executive Board, Program Manager, Francis & Company and Others

PROCEDURE:

1. Accounting work by Francis & Company staff on behalf of FileLocal will be reviewed by senior level staff within the firm.
2. Financial statements prepared by Francis & Company will be reviewed by FileLocal's Program Manager.
3. The Program Manager and Executive Board review, on a monthly basis, the financial reports, budget variance, and large or unusual transactions.
4. Accounting documents and records shall be maintained in safe, secured drawers at Francis & Company to prevent their inadvertent or intentional loss.
5. Although not designed exclusively to catch fraud, should our internal control procedures uncover fraud, the Program Manager, the Board, and the State auditor will be notified within 5 business days.

2. ACCOUNTING SYSTEM

FILELOCAL

FISCAL MANUAL

SUBJECT: Accounting System

PURPOSE: To describe the fundamental system for accounting, the internal controls within the system, and the reconciliation between functional areas.

POLICY: Automated and manual accounting systems shall be maintained and reconciled to provide a comprehensive and consistent accounting system that meets federal, state, and local requirements, as well as generally accepted accounting principles.

RESPONSIBILITY: Francis & Company shall establish and maintain a system that ensures that both integrated and independent accounting modules reconcile to the general ledger of FileLocal, and that proper internal controls exist within these systems to protect the integrity of the data, safeguard the assets of the organization and identify errors and irregularities in the normal course of operation.

PROCEDURE:

1. The automated accounting system QuickBooks consists of three components that integrate to produce accurate financial reports and other pertinent information related to the accounting process :
    A. General Ledger
    B. Accounts Receivable
    C. Accounts Payable
2. Capital assets, prepaid expenses and long-term assets and liabilities that are depreciable and amortizable are maintained in Excel spreadsheets. These are designed for FileLocal to keep detailed information to meet the accounting needs of the Agency. Manual systems are reconciled to QuickBooks on a monthly basis.
3. Backup of QuickBooks is performed routinely, each transaction; system is backed up daily. All essential worksheets and other files that are maintained by Francis & Company are stored on its network server. Records and files are retained at Francis & Company for 7 years.

3. Budget

FILELOCAL

FISCAL MANUAL

SUBJECT: Budget

PURPOSE: The biennial budget and related processes provide a tool for achieving financial oversight over the FileLocal's financial well-being. In addition, the budget enables the Program Manager and Executive Board to focus on anticipated revenue, estimated expenditures, capital asset acquisition, long term financial health, and continuity of services.

POLICY: On an annual basis, the Agency will develop and propose a budget for revenue and expenditures for overall program and administration. The budget will be developed, adopted and administered in accordance with Section 13 of the Interlocal Agreement.

RESPONSIBILITY: Executive Board, Program Manager, and Francis & Company

PROCEDURE:

1. On an annual basis, the Program Manager and Francis & Company draft initial revenue and expenditure forecasts. During the annual budget process, the needs of FileLocal are evaluated, to ensure proper staffing to meet the needs of the consortium, to ensure website data security, and to meet the organizational goals. This budget is - in part - established based on the number of customers and emerging community needs.
2. The proposed budget is submitted to the Operations Committee for preliminary review and to the Executive Board for its final review and ultimate approval of the final budget.
3. When there are significant reduction in funding and expenditures amounting to ___% of annual budget, the Program Manager may request a revision of the adopted budget. The revised budget is presented to the Executive Board for approval.
4. The budget is monitored through a monthly schedule of actual and budget comparisons submitted by Francis & Company. This schedule shows the variance between year-to-date revenue and expenditures, and amounts budgeted by the Agency.

4. CASH MANAGEMENT

FILELOCAL

FISCAL MANUAL

SUBJECT: Cash Management

PURPOSE: To outline the policy for cash management.

POLICY: FileLocal shall maintain an effective system of cash management that anticipates cash needs and have plans to meet its cash flow needs.

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

1. All receipts shall be deposited within 3 business days
2. Disbursements shall be released within 30 days, no later than due date.
3. Every effort will be made to take advantage of early pay discounts if they result in benefit to FileLocal.
4. Francis & Company shall maintain a current daily balance of checking accounts and shall record deposits and checks in such manner to know the available cash balances at all times.
5. Bank reconciliation is performed by Francis & Company on a monthly basis and subject to review by the Program Manager.
6. Operating reserve will be maintained at 15% of annual budget.

5. CASH RECEIPTS AND DEPOSITS

FILELOCAL

FISCAL MANUAL

SUBJECT: Cash Receipts and Deposits

PURPOSE: To outline cash receipts and deposit policies and procedures.

POLICY: All fees, receipts and income collected or received are deposited into FileLocal's bank depository account.

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

1. Cash receipts received by mail at Francis & Company are deposited into FileLocal's bank account at Wells Fargo within 3 business days.
2. Francis & Company Administrator opens, sorts, and deposits cash receipts. Deposit slips and copies of checks are given to an accountant at Francis & Company for booking cash receipts in FileLocal's accounting system.
3. Service fees collected or received by the third party service company are electronically swiped/transferred to FileLocal's bank account at Wells Fargo. The third party service company shall provide Francis & Company daily cash receipts data and documents on a monthly basis.
4. Cash receipt data and documents submitted by the third party service company are reconciled by Francis & Company and entered in FileLocal's accounting system. If any errors are encountered, Francis & Company will notify both the Program Manager and the third party service company of any overage or shortage. Francis & Company will contact the third party service company to obtain the necessary information to make the correction. Once the receipt is correct, Francis & Company will update the FileLocal general ledger and communicate the corrected data to the Program Manager.

6. DISBURSEMENTS

6.1 Authorizations

FILELOCAL

FISCAL MANUAL

SUBJECT: Purchase Authorizations

PURPOSE: To establish signature approval levels for the purpose of authorizing purchases, contracts, and expenditures.

POLICY: All expenditures require the signature approval of the Program Manager. All expenditures greater than $10,000 require the signature approval of the Executive Board Treasurer.

Expenditures requested by the Program Manager will be approved by the Board Treasurer.

RESPONSIBILITY: The Program Manager and Executive Board.

PROCEDURE:

Prior to purchase and/or disbursement all applicable forms must be authorized in accordance with the above policy.

6.2 Cash Disbursements

FILELOCAL

FISCAL MANUAL

SUBJECT: Cash Disbursements

PURPOSE: To outline the policy for cash disbursements**.**

POLICY: Disbursements shall be made only for valid transactions by authorized personnel only.

RESPONSIBILITY: The Program Manager and Executive Board

PROCEDURE:

1. All disbursements and electronic fund transfers, including ACH transactions, shall be for FileLocal business and each transaction must be supported with properly authorized documentation such as an invoice, payroll record, or expenditure/check request.
2. Invoices and requests for payment must be approved by the Program Manager before checks are prepared.
3. Francis & Company prepares checks and also maintains and initiates electronic payments. Maintenance of vendor information files and initiating of payments will be performed by two separate staff persons at Francis & Company.
4. Checks made payable to “bearer” or “cash” or signed blank are prohibited.
5. Checks are mailed directly to the payee.
6. Checks or electronic payments that are returned or rejected must be investigated and resolved within 2 business days of receipt/notification in order to avert loss from fraud or negligence.
7. Bank statements are received in the mail, reviewed, and reconciled to the general ledger on a monthly basis by Francis & Company. Copies of checks are to be matched to the supporting documentation. Prior to filing, all disbursement support shall be reviewed for proper documentation and approving signatures. Account reconciliations will be available for review by the Program Manager.
8. A list of vendor names and disbursements is prepared by Francis & Company and sent to the Executive Board for review on a quarterly basis.

6.3 Check Request

FILELOCAL

FISCAL MANUAL

SUBJECT: Check Request

PURPOSE: To outline the policy for check requests.

POLICY: The Check Request form (see attachment A) must be completed for all expenditures not covered by a Purchase Order Requisition or detailed invoice.

RESPONSIBILITY: The Program Manager shall be responsible for signing check requests to indicate approval. Check and reimbursement requests made by the Program Manager must be authorized by the Executive Board Treasurer prior to approval by the Executive Board.

POLICY EXCEPTIONS: The Executive Board shall authorize expenditures not anticipated or included in the budget. Payroll liabilities, taxes, and certain recurring costs do not require the Executive Board's direct authorization and do not require a Check Request.

Recurring payments do not require the Executive Board or the Program Manager's authorization. These expenditures have been constructively approved by virtue of the Executive Board's approval of the contracts and agreements giving rise to the recurring obligation. A sample list of these types of expenditures is as follows:

1. Purchase orders supported by purchase requisitions;
2. Contract payments supported by previously approved contracts;
3. Pre-authorized temporary personnel help;
4. Utilities invoices.

PROCEDURE:

For the items listed below, no Purchase Order Requisition form is required. A Check Request form may be used:

1. US Postal costs;
2. Licenses;
3. Legal services;
4. Conference fees, tuition, and temporary employment services;

5. Freight bills, express shipping, common carriers, import/export duties, customs & brokerage fees;
6. Travel expenses, including transportation, meals and hotel;
7. Dues, subscriptions, professional membership & association dues, and
8. Advertising.

6.4 Check Control

FILELOCAL

FISCAL MANUAL

SUBJECT: Control of Check Stock

PURPOSE: To detail the policy and procedures for control of signed checks and unsigned check stock.

POLICY: All checks are to be accounted for by check number. Francis & Company shall maintain internal controls with respect to custody of check stock, preparation, printing, signing, mailing, filing and voiding of all checks.

RESPONSIBILITY: Francis & Company

PROCEDURE:

1. Check stock is to be securely maintained in a locked cabinet at Francis & Company.
2. Francis & Company is responsible for typing or printing checks, and will not have access or authority to use the signature machine or request the hand-written signature of the authorized check signers.
3. Check reconciliation will include accounting for all void or destroyed checks.
4. All checks will be signed by the authorized check signers – the Program Manager or the Treasurer.

7. REVENUE AND RECEIVABLES

7.1 REVENUE RECOGNITION

FILELOCAL

FISCAL MANUAL

SUBJECT: Types of revenue and recognition policy and procedures

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PURPOSE: To establish revenue recognition policy and procedures.

POLICY: All revenue is recognized in accordance with generally accepted accounting principles.

RESPONSIBILITY: Executive Board, Program Manager, and Francis & Company

PROCEDURE:

1. Current revenue consists of service fees and reimbursable costs from participating cities of FileLocal, including the City of Seattle, City of Bellevue, City of Tacoma and City of Everett.
2. Service fees are recognized at the time a customer completes his or her licensing application.
3. Reimbursable costs revenue is pre-determined through budget and inter-local agreement, including any amendments. Reimbursable cost revenue is billed at the beginning of the year and recognized as revenue at that time. On an annual basis, actual costs to be reimbursed are compared to amounts budgeted and billed. Adjustments will be made to reconcile billed reimbursable costs to accrual amount of costs incurred. Credits will be issued to the four participating cities when an overbilled amount is identified; and as a result, a reduction of revenue is recognized. If additional costs are identified to be reimbursed from the four participating cities, additional invoices are submitted to the four participating cities. Additional reimbursable costs revenue is also recognized at year-end.
4. Any other contributions and donations are recognized as revenue when cash is received.
5. Any changes in revenue recognition shall be made in writing by the Program Manager and/or Francis & Company and is subject to approval by the Executive Board.

7. REVENUE AND RECEIVABLES

7.2 Billings and Accounts Receivable

FILELOCAL

FISCAL MANUAL

SUBJECT: Billings and Accounts Receivable

PURPOSE: To ensure billings are made for services actually provided and based on the Interlocal Agreement and budget.

POLICY: FileLocal shall follow prudent and efficient business practices to obtain payment of its receivables.

RESPONSIBILITY: Executive Board, Program Manager, and Francis & Company

PROCEDURE:

1. Service fees are paid by customers when they submit their licensing applications. Automatic billing and payment processing is done daily by the third party service company. Francis & Company performs a monthly reconciliation of service fees and cash receipts.
2. Francis & Company prepares invoices for reimbursable cost revenue based on the budgeted amount established at the beginning of the year. At year-end, Francis & Company conducts a reconciliation of reimbursables according to the actual operation revenue. Any refund or underbilled amounts identified by Francis & Company through the annual reconciliation is subject to review and approval by the Program Manager and then the Executive Board. Refunds or additional invoices are then processed by Francis & Company.
3. On a monthly basis, Accounts Receivable is reconciled by Francis & Company. For any delinquent balance, Francis & Company sends letters requesting payment and makes a reasonable effort via other means to contact and collect outstanding balances.
4. Any adjustments and write-off to Accounts Receivable is subject to approval by the Program Manager
5. All payments received by Francis & Company are reconciled to Accounts Receivable, the general ledger, and the bank deposits.

8. PROCUREMENT AND CONTRACT MANAGMENT

8.1 Procurement

FILELOCAL

FISCAL MANUAL

SUBJECT: Procurement

PURPOSE: To outline procurement policies and processes.

POLICY: All contracts for labor, professional services, lease of equipment and supplies for $10,000 or more must be let by free and open competitive bidding, on sealed bids, to the responsible bidder.

RESPONSIBILITY: Executive Board and Program Manager

PROCEDURE:

1. FileLocal is required to advertise for sealed bids on contracts for labor, professional services and equipment leases in excess of $10,000 by posting a notice at its website or by publication of a one-time notice in a newspaper published in the State of Washington.
2. In case of an emergency affecting the public's health, safety, economic welfare and security, a contract may be let to the extent necessary to meet the emergency without public advertisement. The Program Manager will honor payment for a period of six months from the date of declaration posting; should the emergency continue to exist after a six month period, it will be necessary to re-declare the emergency.
3. Sealed bids are accepted by the Program Manager for evaluation. Based on the Program Manager's recommendation, the Executive Board approves and awards the responsible bidder through competitive bidding with consideration given for the quality of the commodities, conformity to specifications, terms of delivery, and freight charges. Multiple-awards may be issued, if notice is contained within the competitive bid, when technical compatibility and/or operational specification are required.
4. A contract for labor, professional services and equipment leases will be let for periods no greater than five years.

5. An awarded contract is not assignable by the bidder without written consent of FileLocal. A contract cannot be assigned to a bidder whose bid was rejected.

8.2 Contracts

FILELOCAL

FISCAL MANUAL

SUBJECT: Contract Management

PURPOSE: To provide policy and procedures for the review, approval, establishment and modification of personal and professional services contract.

POLICY: All contracts for personal or professional services with private entities or individuals must be approved in writing by the Chair of the Executive Board

RESPONSIBILITY: Executive Board and Program Manager

PROCEDURE:

1. Personal and professional service contracts must include the following information
   a) Name, including contract name and tax identification number (Form W-9)
   b) Scope of contract – what is to be done, the purpose, goal, job, etc.
   c) Term of contract, including the beginning and ending dates
   d) Total contract amount and the method of payment
   e) Termination clause
   f) Signatures
2. All contracts for personal and professional services must be reviewed by the Program Manager and Executive Board within a reasonable time, not to exceed 45 days after it has been submitted.
3. All contracts for personal or professional services must be approved in writing by the Chair of the Executive Board.
4. A contract cannot be assigned to a third party. If a different contractor is required, the original contract must be canceled and a new contact must be initiated.
5. An emergency contract for personal or professional services shall be let for a period of not more than 6 months.

6. Contracts between governmental entities must be separately tracked to ensure additional reporting and regulatory compliance required by federal and state law.

9. CAPITAL ASSETS MANAGEMENT

9.1 Capitalization Policy

FILELOCAL

FISCAL MANUAL

SUBJECT: Capitalization Policy

PURPOSE: To define capitalization policy.

POLICY: All personal and real property with an initial individual cost of more than $5,000 and an estimated useful life in excess of two years are recognized as capital assets. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the assets. The costs for normal maintenance and repairs are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Software 3 – 5 years

Computers and equipment 3-7 years

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

1. Francis & Company shall assign the appropriate accounting classification codes to all purchases, contracts and acquisitions that qualify as capital assets.
2. The Program Manager shall provide Francis & Company copies of all purchase orders, requisitions, and receiver's reports covering capital asset purchases.
3. Francis & Company shall be responsible for recording the asset on the capital asset schedule, a manual spreadsheet/sub-ledger, showing the description, physical location, owners, cost, acquisition date, useful life, depreciation and disposition date including the date of disposal and sales price of the property.

9.2 Physical Inventory

FILELOCAL

FISCAL MANUAL

SUBJECT: Physical Inventory

PURPOSE: To establish physical inventory of capital assets.

POLICY: All capital assets should be inventoried periodically, but not less than every two years, to reconcile the total capital assets with the capital asset schedule (a sub-ledger).

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

1. Francis & Company shall perform a physical inventory of capital assets at least once every two years.
2. Once the physical inventory is complete, it must be reconciled to the individual capital asset record (a manual capital asset sub-ledger) and general ledger.
3. Inventory count sheet and reconciliation is subject to the Program Manager's review. Any discrepancy is investigated by the Program Manager.

9.3 Disposition

FILELOCAL

FISCAL MANUAL

SUBJECT: Disposition

PURPOSE: To outline disposition of capital assets.

POLICY: All capital asset dispositions shall be approved by the Program Manager. Any disposition in excess of $10,000 shall be approved by the Executive Board.

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

1. Disposition of capital assets shall be requested in writing and addressed to the Program Manager. Any disposition in excess of $10,000 shall be approved by the Executive Board.
2. All disposition documents shall be forwarded to Francis & Company to record the disposition. Gains and losses are recognized on the sale of capital assets.
3. The capital assets and related depreciation shall be removed from both the capital asset sub-ledger and general ledger.

9.4 Capital Asset Impairment

FILELOCAL

FISCAL MANUAL

SUBJECT: Capital Asset Impairment

PURPOSE: To outline capital asset impairment policy and procedures.

POLICY: Capital asset impairment is conducted on an annual basis or at the time the impairment occurs. Only permanent impairments of capital assets should be recognized in the financial statements.

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

1. Francis & Company shall conduct an impairment analysis on an annual basis, or at time the impairment occurs in accordance with the generally accepted accounting principles.
2. A memo of impairment analysis with calculated loss prepared by Francis & Company is submitted to the Program Manager for review and approval.
3. Francis & Company records impairment loss in FileLocal general ledger system.

10. JOURNAL ENTRIES

FILELOCAL

FISCAL MANUAL

SUBJECT: Journal Entries

PURPOSE: To outline types of journal entries and internal controls over journal entries.

POLICY: All journal entries must be self-balancing and include an account type (asset, liability, revenue, expense, net assets) for each line of the journal entry. Journal entries are subject to review and approval based on the policies and procedures herein.

RESPONSIBILITY: Program Manager and Francis & Company

PROCEDURE:

Journal entries are used to:

1. Correct errors: most of journal entries will be to correct account-coding errors. The journal entry must include the debit entries and credit entries to correctly produce the required accounting effects. There is no review or approval for this type of journal entry prior to or after posting the journal entries.
2. Record cost allocation: cost allocation is processed by Francis & Company based on the approved cost allocation documents, including budgets. No review or approval is required for this type of journal entry.
3. Record recurring balance sheet transactions: recurring journal entries include monthly depreciation, amortization, receivable, and accrued liabilities. They are not required for review or approval.
4. Implement accounting policies and guidance: a memo is prepared for the implementation of a new accounting standard by Francis & Company to the Program Manager for review and approval. The memo will provide a reference of the new accounting standard, accounting effects, and a proposed journal entry.
5. Record nonroutine, nonrecurring transactions: a memo in writing to the Program Manager is required for review and approval of non-routine, non-recurring transactions.

Internal controls over monthly and annual financial reporting are considered an effective control over journal entry type 1, 2, and 3.

11. FINANCIAL REPORTING

FILELOCAL

FISCAL MANUAL

SUBJECT: Financial Statements and Management Reports

PURPOSE: To establish and catalog the reporting requirements for accounting.

POLICY: Financial statements and reports shall be prepared on a monthly and annual basis to provide the Program Manager and Executive Board, and outside auditors with sufficient financial information to report accurately the results of operations.

RESPONSIBILITY: Francis & Company shall maintain supporting records in sufficient detail to prepare financial statements or reports for the Agency.

PROCEDURE:

1. On an annual basis, Francis and Company prepares and presents:
    a) Annual financial statements with full footnote disclosures.
    b) Other required supplemental schedules and information.

    The annual financial statements are prepared in accordance with generally accepted accounting principles. The annual financial statements along with required supplemental information are subject to review by the Executive Board and the Program Manager. The Executive Board adopts the annual financial statements.

2. On a quarterly basis, Francis & Company submits to the Executive Board to adopt:
    a) List of vendor warrants.
3. On a monthly basis, Francis & Company prepares and presents:
    a) Internal financial statements.
    b) Schedule of actual and budget comparison.
    c) Variance analysis, as needed, will be prepared with monthly financial statements.

Attachment A: Check Request Form

FileLocal
Check Request Form

Deliver Check to:

Date Required	Check Amount

Purpose of Payment

G/L Account #:

Vendor Name	Invoice/Receipt Number	Invoice Date	Amount

Originator	Date

Approval	Date

Submit Form to Francis & Company PLLC
701 N Dexter Avenue, Suite 404
Seattle, Washington 98109

FileLocal

700 5th Avenue, Suite 4350
PO Box 94669
Seattle, WA 98124-4669

Operations Manual Progress Report

September 22, 2014

BOLD: "Policy" subject to Board review
RED: Being reviewed by Board in Sept.
BLUE: In development/to be developed

A. Introduction
- ✓ Purpose
- ✓ Overview
- ✓ Key Governance Documentation **(Articles of Incorporation, ILA, Bylaws)**
- ✓ Roles, Responsibilities & Org. Chart
- ❑ **Delegation of Authorities**

B. Board/Committee Duties & Responsibilities
- ✓ Board Meetings
- ✓ Board Member Members, Terms, Replacement, Quorum, Voting
- ❑ **Confidentiality and Conflicts of Interest (Review: Dec)**
- ✓ Annual Work Plan, 2014
- ✓ Calendar of annual requirements
- ✓ Critical Organization Information
- ✓ Business formation, address, website and phone
- ✓ Nonprofit Incorporation Information - Including UBI and IRS #s
- ❑ **Loaned Staff Information & Job Descriptions**
- ✓ Service Level Agreement Information

C. Key Contacts
- ✓ Board and Alternates
- ✓ Staff and Emergency Contacts
- ✓ Vendors, Business Renewals and Resources (e.g., accounting, bank, legal, insurance, IT, communications, Secretary of State, State Auditor, etc.)

D. Record Keeping and Security
- ❑ Procedures and Expectations
- ❑ Documentation standards
- ❑ **Electronic signatures**
- ❑ Security, retention policies and backup procedures (passwords, redundancies, etc.)
- ❑ **Public Records (Expectations, training, request for information) (Review: Dec)**

E. Operational Procedures
- ❑ Board/Committee protocols
- ❑ Subscribers, latecomers
- ❑ **Communications protocols**
- ❑ **Roles, procedures and resolving conflicts (Review: Dec)**
- ✓ Logo and style guide

F. Fiscal Manual
- ❑ **Accounting Systems**
- ❑ **Budget**
- ❑ **Journal Entries**
- ❑ **Financial reporting**
- ❑ **Revenues**
- ✓ **Disbursements**
- ❑ **Payroll**
- ❑ **Capital Asset Management**

G. Risk Management (Review: Dec)

H. Emergency Procedures