

# The Executive Board Agenda

Vice Chair Kinsey will convene a meeting of the Centralina COG Executive Board at 6:30 p.m. on Wednesday, November 9, 2016. A light dinner will be served at 6:00 p.m. The meeting will be held in the Catawba Room of the Centralina CCOG Office on the 12<sup>th</sup> floor of the 525 North Tryon Street building.

Time	Item	Presenter
6:00 p.m.	<b>Dinner</b> Please RSVP to Kelly Weston at <a href="mailto:kweston@centralina.org">kweston@centralina.org</a> or (704) 348-2728 by <b>12:00 p.m. on Monday, November 7<sup>th</sup></b> so that catering can be arranged.	Kelly Weston
6:30 p.m.	<b>Call to Order, Welcome &amp; Declaration of Quorum</b>	Patsy Kinsey
	<b>Amendments to the Agenda</b> (if any)	Patsy Kinsey
<b>Consent Items:</b> <i>Consent agenda items may be considered in one motion and without discussion except for those items removed by a Board member.</i>		
6:35 p.m. <b>Item 1</b> Pages 4 – 7	<b>Approval of the September 14, 2016 Executive Board Meeting Minutes</b> The minutes of the September 14, 2016 meeting have been distributed to all members of the Executive Board and should be approved if correct.  <b>Action/Recommendation:</b> <i>I move to approve the September 14, 2016 Executive Board Meeting minutes.</i>	Patsy Kinsey
<b>Item 2</b> Pages 9 – 24	<b>Request for Proposal for Audit Services</b> As the Executive Board has requested, staff would like to present and request the Board approve the release of the submitted Request for Proposal (RFP) to interested audit firms for audit services for a three year period beginning with the fiscal year 2017-2018. This RFP will be on the CCOG website for general review, an ad will be placed in Charlotte Observer and emails mailed to the following audit firms Martin Starnes, Cherry Beckert, Elliott Davis, Greer Walker, KPMG, McGladry and Dixon Hughes. Any other interested parties will be sent a RFP upon request.  <b>Action/Recommendation:</b> <i>Motion to approve the release of the Request for Proposal for audit services.</i>	Marsha Sutton
<b>Regular Business Items:</b>		
6:40 p.m. <b>Item 3</b> 30 minutes Page 26	<b>FY16 Audit Presentation</b> Dixon Hughes Goodman LLP worked on the audit engagement for fiscal year ending June 30, 2016 to perform the financial audit and assist in the preparation of the financial statements as well as performed the single audit for the fiscal year. Centralina staff worked diligently to prepare the financial statements and to provide all the necessary information and documentation. Brian Brown, the engagement partner, will make a presentation at the meeting and field any questions.  <b>Action/Recommendation:</b> <i>The Executive Director and Finance Director are asking the Board to make a motion to approve and accept the audit as presented.</i>	Brian Brown, Dixon Hughes Goodman, LLP
7:10 p.m. <b>Item 4</b> 20 minutes Pages 28 – 40	<b>Federal Relations Update</b> Leslie Mozingo of Strategics Consulting will present a performance measures report for the period September-October 2016, based on performance measures previously approved by the Executive Board, and a proposed contract amendment responding to the Executive Board's request to consider lobbying services.  <b>Action/Recommendation:</b> The Board is asked to receive as information the performance report and provide feedback on the results reflected in it. <i>I move that the Strategics Consulting Performance Report for July-August 2016 be accepted.</i> The Board is asked to discuss the contract amendment as presented and the	Vicki Bott and Leslie Mozingo

# The Executive Board Agenda

Time	Item	Presenter
	<p>ramifications, if any, of approving the contract amendment. The Board may either approve the amendment, decline it, or table it.</p> <p><i>I move that the proposed lobbying services amendment to the Strategics Consulting contract be:</i></p> <ul style="list-style-type: none"> <li>■ <i>Approved.</i></li> <li>■ <i>Declined.</i></li> <li>■ <i>Tabled for future consideration.</i></li> </ul>	
<p><b>7:30 p.m.</b> <b>Item 5</b> 5 minutes <a href="#">Page 42</a></p>	<p><b>CCOG Conference Update</b> The Executive Board will receive a brief update on planning activities for the April 6, 2017 Creative Solutions for Thriving Communities Conference.</p> <p><b>Action/Recommendation:</b> <i>Receive as information.</i></p>	Patsy Kinsey
<p><b>7:35 p.m.</b> <b>Item 6</b> 5 minutes</p>	<p><b>Nominating Committee Update</b> Each year, the Executive Board forms a three-member Nominating Committee to select a slate of Officers to serve on the Executive Board. The Board must form the Committee no later than its November 2015 meeting so that the Board of Delegates may hold elections at its February 2016 meeting.</p> <p><b>Action/Recommendation:</b> <i>Receive as information.</i></p>	Nominating Committee Members
<p><b>7:40 p.m.</b> <b>Item 7</b> 5 minutes</p>	<p><b>Resolutions for Outgoing Executive Board Members</b></p>	Patsy Kinsey
<p><b>7:45 p.m.</b> 5 minutes</p>	<p><b>Comments from the Executive Board</b></p>	Board Members
<p><b>7:50 p.m.</b> 5 minutes</p>	<p><b>Comments from the Vice Chair</b></p>	Patsy Kinsey
<p><b>7:55 p.m.</b> 5 minutes</p>	<p><b>Comments from the Executive Director</b></p>	Jim Prosser
<p><b>8:00 p.m.</b></p>	<p><b>Adjournment</b></p>	Patsy Kinsey

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Centralina Council of Governments

## **Item 1**



**Executive Board Minutes**

**September 14, 2016**

<b>Officers Present</b>	<b>Delegates Present</b>	<b>Delegates Not Present</b>	<b>Centralina Staff</b>
Michael Johnson, Chair Patsy Kinsey, Vice Chair Bill Feather, Treasurer	Joe Carpenter Bill Deter George Dunlap Martha Sue Hall Bill Lawhon Martin Oakes Richard Turner Jarvis Woodburn	Kathy Kitts, Secretary Bobby Compton Devin Rhyne Jerry Simpson John Woods	Vicki Bott Debi Lee Linda Miller Jim Prosser Jason Wager Kelly Weston Venecia White  <i>Guests</i> Sarah McAulay Leslie Mozingo Jennifer Nichols

**Call to Order, Welcome, and Declaration of Quorum**

Chairman Michael Johnson, City of Statesville called the meeting to order and noted that a quorum was present.

**Amendments to the Agenda**

Chairman Johnson stated that Item 2 would be removed from the Consent Agenda and placed under Regular Business. Item 6 would be taken as the first order of Regular Business.

Commissioner George Dunlap, Mecklenburg County, made a motion to approve the agenda as amended. Mayor Pro Tem Martha Sue Hall, City of Albemarle, seconded the motion and it carried unanimously.

**Consent Items**

- 1. Approval of the June 8, 2016 Executive Board Meeting Minutes**
- 3. Approval of North Carolina Department of Transportation Funding Agreement for the Greater Charlotte Regional Freight Mobility Plan**

Mayor Pro Tem Hall made a motion to approve the Consent Agenda. Commissioner Joe Carpenter, Gaston County, seconded the motion and it carried unanimously.

**6. Centralina Foundation Fundraising Update**

Fundraising consultant Jennifer Nichols presented an overview of the friend-raising process, requesting the Executive Board’s help in opening doors to potential funders. The Board’s help is needed in identifying these funders. She noted that she, CCOG staff, and Centralina Foundation Trustees will make a funding request of these entities; the Board Members will not be asked to do so.

In response to Mayor Pro Tem Hall’s question, Vicki Bott, Grants Development Director, explained that staff will request assistance from the Board of Delegates at its October 12 meeting.

Chairman Johnson read aloud the following resolution:

*Resolved, whereas Centralina Foundation is partnering with CCOG on certain high-priority regional initiatives and is working to secure private sector funding for those initiatives, and whereas relationship connections are key to Centralina Foundation's Intentional Inquiries approach, CCOG does hereby encourage its Executive Board members to commit to assisting with those efforts through "friend-raising" and "door-opening."*

Commissioner Bill Lawhon, Stanly County, made a motion to adopt the resolution presented. Vice Chair Patsy Kinsey, City of Charlotte, seconded the motion and it carried unanimously.

## **2. Review of Amendment to the Operating Budget for Fiscal Year Ended June 30, 2016**

Jim Prosser, Executive Director, explained that CCOG adopts a budget based on the previous year's operating expenses because it does not receive state and federal funding projections until after the budget has to be adopted. He noted that last year this time, CCOG had a gap of approximately \$400,000. This year, CCOG has signed agreements and contracts so that the budget should be balanced. Major issues from the previous year's audit have been corrected. He added that the auditors have completed preliminary work and will present the audit report in November.

In response to a question from Commissioner George Dunlap, Mecklenburg County, Mr. Prosser noted that the Accufund accounting system has been installed and provides financial reporting on an ongoing basis. CCOG also hired a new Finance Director last year. He added that CCOG needs foundations and businesses to help fund its work in the region.

In response to a question from Commissioner Martin Oakes, Lincoln County, Mr. Prosser explained that the grant funds received cannot be used to build CCOG's fund balance.

Chairman Johnson noted that CCOG's current products and contracts exist because the organization's product offerings, particularly programs derived from CONNECT Our Future, are gaining acceptance.

## **4. Merit Pay Adjustment**

Mr. Prosser explained that a merit adjustment was built into the budget for the fiscal year ending June 30, 2016. The majority of the payments will be funded by grants. He noted that CCOG needs to continue and retain high quality staff capable of performing the organization's work.

Mayor Pro Tem Hall made a motion to provide direction to staff regarding changes to budget plans and authorize the provision of merit increases with a total pool of 2% of salaries based on employee evaluation results effective July 1, 2016. Treasurer Feather seconded the motion and it carried unanimously.

## **5. Federal Relations Update**

Leslie Mazingo, Strategies Consulting, LLC, presented an overview of performance metrics. She noted that she will do more in depth research in the areas of Innovation Corridors, Career Headlight, and Regional Freight. She also noted that she has highlighted funding opportunities for member governments through the Grant News. In October, she will begin leading quarterly grant workshops to help local governments learn about the grant process.

Mayor Pro Tem Hall suggested holding the workshops at locations throughout the region so that more members could participate.

Commissioner Dunlap suggested streaming the workshops online.

Commissioner Oakes stated that there should be an emphasis on grants that are new and different.

Commissioner Carpenter made a motion to accept the Strategies Consulting Performance Report for July-August 2016. Commissioner Dunlap seconded the motion and it carried unanimously.

#### **7. Catawba Wateree Relicensing Agreement Update**

Jason Wager, Planning Program Supervisor – Sustainability, presented a report on modifications made to the relicensing agreement for the Catawba Wateree Hydro project. He noted that none of the modifications were considered controversial.

Chairman Johnson asked staff to provide an update on the status of the Yadkin-Pee Dee relicensing process at a future meeting.

#### **8. CCOG Regional Conference Update**

Vice Chair Kinsey presented an update on planning activities for the 2017 CCOG Regional Conference. She noted that staff needs the Executive Board’s assistance in identifying potential top-level sponsors for the event.

Commissioner Oakes requested a profile of the attendees at the 2015 Conference and a list of sponsorship benefit levels.

Commissioner Oakes made a motion to approve the proposed budget for the 2017 CCOG Regional Conference and commit to assisting staff with recruiting sponsors as outlined in the sponsorship plan presented.

#### **9. CCOG Building Update**

Mr. Prosser reported that CCOG’s attorney and insurance representative have reviewed the proposed lease agreement for a new office location. The goal is to relocate as early as January 2017.

Mayor Pro Tem Hall made a motion to authorize execution of a lease agreement for 9815 David Taylor Drive for a term of 62 months commencing January 1, 2017, contingent upon CCOG’s release from its current lease. Vice Chair Kinsey seconded the motion and it carried unanimously.

Mr. Prosser asked the Executive Board members to provide staff with the names of vendors who can assist with construction work and office relocation.

#### **10. Report on North Carolina Association of Regional Councils 2016-17 Work Plan**

Commissioner Carpenter reported that the North Carolina Association of Regional Councils developed the NC Tomorrow initiative with four goals: (1) build on each region’s competitive advantages and leverage the marketplace (2) establish and maintain a robust regional infrastructure (3) create and revitalize healthy and vibrant communities (4) develop talented and innovative people. The directors of the state’s 16 Councils of Government met and developed a work plan for reaching these goals. The plan includes steps for collaborating with other regions on rural broadband and building on the legislative agenda. Commissioner Carpenter noted that this will be his last year serving on the association’s Forum board, adding that Chairman Johnson will succeed him in representing CCOG.

#### **Comments from the Executive Board**

Mayor Pro Tem Hall asked the Board members to keep Chairman Johnson and his wife in their prayers.

#### **Comments from the Chair**

Chairman Johnson noted that the Executive Board’s November 9 meeting is scheduled for the day after Election Day and inquired if the Board Members would like to reschedule the meeting. By consensus, the Executive Board decided to meet on its scheduled date.

Chairman Johnson reported that Debi Lee, Assistant Director of Aging Programs, will be a facilitator at Lowes' Executive Science Fair where she will lead members of the company's executive team in learning about market diversity from an aging perspective.

The National Association of Development Organizations (NADO) has selected CCOG as a recipient of its 2016 Innovation Awards for the CONNECT Our Future project. The winners will be recognized at a special reception during NADO's 2016 Annual Training Conference to be held in October.

Chairman Johnson asked the Board Members to begin thinking about volunteers for the Nominating Committee.

He also inquired if the Executive Board would be interested in considering changing Ms. Mozingo's status from consultant to lobbyist on behalf of CCOG. By consensus, the Board asked staff to provide a proposal for this change at the November Executive Board meeting.

#### **Comments from the Executive Director**

There were no comments from the Executive Director.

#### **Adjournment**

With no further business to be discussed, Chairman Johnson adjourned the meeting at 8:32 p.m.

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Centralina Council of Governments

## **Item 2**





## Board Agenda Item Cover Sheet

<b>Board Meeting Date:</b>	November 9, 2016	<b>Agenda Item Type:</b>	<b>Consent:</b>	X	<b>Regular:</b>	
<b>Submitting Person:</b>	Marsha G. Sutton	<b>Presentation Time (est.):</b>	5 minutes			
<b>Presenter at meeting:</b>	Marsha G. Sutton	<b>Phone Number/Ext:</b>	704-348-2716			
		<b>Email:</b>	<a href="mailto:msutton@centralina.org">msutton@centralina.org</a>			
<b>Alternate Contact Person:</b>	Jim Prosser	<b>Phone Number/Ext:</b>				
		<b>Email:</b>	<a href="mailto:jprosser@centralina.org">jprosser@centralina.org</a>			
<b>Submitting Department:</b>	Finance	<b>Department Head Approval:</b>				
<b>Board Expectation:</b> <i>(required action or responsibility expected from Board members)</i>						
Approve the release of a Request for Proposal document for audit services to interested audit firms.						
<b>Description of Agenda Item:</b>						
Request for Proposal for Audit Services for a three-year period beginning with fiscal year 2017-2018.  As the Executive Board has requested, staff would like to present and request the Board approve the release of the submitted Request for Proposal (RFP) to interested audit firms for audit services for a three year period beginning with the fiscal year 2017-2018. This Request for Proposal will be on the CCOG website for general review, an ad will be placed in the Charlotte Observer and emails mailed to the following audit firms: Martin Starnes, Cherry Beckert, Elliott Davis, Greer Walker, KPMG, McGladry and Dixon Hughes. Any other interested parties will be sent an RFP upon request.						
<b>Background &amp; Basis of Recommendations:</b>						
The Executive Director and Finance Director are asking the Board to approve the release of the RFP.						
<b>Action / Recommendation:</b>						
Motion to approve the release of the Request for Proposal for audit services.						
<b>Time Sensitivity (none or explain):</b>						
<b>Budget Impact (if applicable):</b>	None.					
<b>List of Attachments (if any):</b>	Request for Proposal document for audit services for a three-year period beginning with fiscal year FY2017-2018					



TWO PART REQUEST FOR PROPOSAL FOR AUDITING SERVICES  
AND SELECTION OF AN INDEPENDENT AUDIT FIRM

BY

CENTRALINA COUNCIL OF GOVERNMENTS

NORTH CAROLINA

Proposal's Due Date: 12/02/2016 by 2:00pm

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The Council of Centralina Council of Governments (hereinafter called the “CCOG”) invites qualified independent auditors (hereinafter called “auditor”) having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the CCOG to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the CCOG. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Mecklenburg County, North Carolina.

### **Type of Audit**

The audit will encompass a financial and compliance examination of the unit’s basic financial statements, supplementary information and compliance reports in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; *Government Auditing Standards, latest revision*; the Single Audit Act of 1984; the Single Audit Act Amendments of 1996; the provisions of OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including revisions published in *Federal Register* June 27, 2003 and all subsequent revisions; the State Single Audit Implementation Act; and all other applicable laws and regulations.

### **Period**

The CCOG intends to continue the relationship with the auditor for no less than three years on the basis of annual negotiation after the completion of the first year contract. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. The CCOG reserves the right to request proposals at any time following the first year of this contract. Thus, prepare proposals for the following years, with Year one being the only obligated year:

July 1, 2016 to June 30, 2017  
July 1, 2017 to June 30, 2018  
July 1, 2018 to June 30, 2019

## **Requirements**

The audit must be conducted in accordance with generally accepted auditing standards; *Government Auditing Standards*, the latest revision issued by the Comptroller General of the United States; Office of Management and Budget Circular No.A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including revisions published in *Federal Register* June 27, 2003 and June 26, 2007; the State Single Audit Implementation Act of 1996, and any other applicable procedures for the audit of a government's financial statements prepared in accordance with GAAP.

The Auditor will advise staff if any additional year-end adjusting journal entries are required. The auditor will ultimately responsible for assisting and reviewing the preparation, typing, proofing, printing, and copying of the Basic Financial Statement, supplementary information and compliance reports. The CCOG Finance Director and Assistant Finance Director will be actively involved in the MD&A, and other schedules section preparation. The auditor will submit a draft of the Financial Statement to be reviewed in detail by the Finance Director and Assistant Finance Director. This draft should be submitted to the CCOG in time to allow ample review and corrections. **The timing of this should insure final completion of the Financial Statements no later than the annual October 31<sup>st</sup> deadline.**

Year-end fieldwork should begin sometime between August and September and be completed by September 15<sup>th</sup>. **An agreed upon post-closing trial balance must exist by September 30<sup>th</sup>.** The Finance Director will expect a listing of requested information (PBC List) needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

The audit must be completed and reports rendered four months following the fiscal year end (October 31).

A preliminary draft of the audit and required journal entries must be submitted to the Finance Director by October 1 for proofing and reconciliation to the unit's records.

Twenty-five copies of each audit report, management letter, and other applicable reports must be supplied to the Finance Director and Executive Director within the time frame cited above. In addition, the auditor is responsible for submitting the Audit Report Transmittal Document, PDF copies of audit report both financial and compliance reports, completed Excel file of "Data Input Worksheet" and their Final Invoice to the Local Government Commission (LGC). Any other copies required will be charged on an as needed basis in addition to the quoted fee. The CCOG also requires a digital copy of the audit and all applicable reports.

The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, the financial statements of the aggregate discretely presented component units, each major fund, and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be

subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The auditor shall also express an opinion on the budgetary comparison information for the general fund, the major funds, and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the audit report.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

### **Audit Contract & Payment of Audit Fees**

The audit contract must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC staff prior to processing by the CCOG.

### **Other Services**

The auditor will prepare, type, and print the audited financial statements. The auditor will submit a draft for review by the Finance Director, Assistant Finance Director and Executive Director. The Finance Director, Assistant Finance Director or Executive Director will return the draft with proposed revisions as quickly as possible.

### **Description of Selection Process**

Three copies of each section of the proposal should be submitted at the time and place indicated under the section entitled "Time Schedule for Awarding Contract" as well as a digital copy of the proposal.

Proposals will be submitted in two sections. The first section will be comprised of the audit firm's prior experience and qualifications of its personnel in performing governmental audits.

The Finance Committee along with Finance staff will evaluate the auditor/firm on educational and technical qualifications. The top three firms from the first section will have their second section opened and evaluated. **Optional: These firms will be asked to appear for a short interview before the selection committee.** The firm best meeting the CCOG's expectations for experience, audit approach, and cost requirements will be selected for presentation and approval by the Executive Committee.

PLEASE KEEP IN MIND THAT COST, WHILE AN IMPORTANT FACTOR, WILL NOT BE A SOLE DETERMINING FACTOR. UNUSUALLY LOW BIDS THAT ARE OBVIOUSLY OUT OF LINE WITH OTHER BIDDERS OR ARE SIGNIFICANTLY LOWER THAN OUR

CURRENT FEES WILL RAISE CONCERN. THE LOWEST BID WILL NOT AUTOMATICALLY BE AWARDED PREFERENTIAL CONSIDERATION.

The CCOG requests that no CCOG officials or other staff be contacted during this process. The Assistant Finance Director may be contacted only to clarify questions concerning the RFP.

The CCOG reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the CCOG.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the bid.

### **First Section**

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the number of people (by level) located within the local office that will handle the audit.
2. Provide a list of the local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each. If you audit any other Council of Governments in other regions, please note here. Responsive firms should include any relevant information regarding audits performed on financial statements prepared under the new reporting model.
3. Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
4. Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
5. Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site. Again, relevant experience with the new reporting model should be clearly communicated.
6. Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
7. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., utilities, solid waste, transit, airports, or health authorities and school systems).

8. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.
9. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.
10. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), latest revision. Provide a copy of the firm's Statement of Policy and Procedures.
11. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
12. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.

### **Second Section**

Proposals should include completed cost estimate sheets and any other necessary cost information in a *separate, sealed envelope marked – “Cost Estimate.”* The CCOG plans to evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate. **If you are submitting the First Section via email, please submit the Second Section via standard mail carrier, whether postal or express mail.**

This second section should consist of completed cost estimate sheets, which will include the following information:

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of computer audit specialists.
4. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
5. A sample of the schedule of items to be provided by the client including a description and the timeline of the due dates, prepared by client list (PBC).
6. Information that will be contained in the management letter.
7. Assistance expected from CCOG staff, if other than outlined in the RFP.



8. Tentative schedule for completing the audit within the specified deadlines of the RFP, including a pre-audit planning meeting.
9. Specify costs using the format below for the audit year July 1, 2016 to June 30, 2017. For the two audit years which follow, list the estimated costs. The cost for the audit year ending June 30, 2017 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a “not-to-exceed” amount.
  - A. Personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
    - 1) Estimated hours – categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor’s office.
    - 2) Rate per hour.
    - 3) Total cost for each category of personnel and for all personnel costs in total.
  - B. Travel – itemize transportation and other travel costs separately.
  - C. Cost of supplies and materials – itemize.
  - D. Other costs – completely identify and itemize.
  - E. If applicable, note your method of determining increases in audit costs on a year to year basis
10. Please list any other information the firm may wish to provide.
11. Please include the Summary of Audit Costs Sheet with your proposal.

### **Time Schedule for Awarding the Contract**

Request for proposal packages will be mailed or emailed by **November 11, 2016**.

Please acknowledge the receipt of this request for proposal and your intent to respond with a proposal by **November 18, 2016**.

Proposals signed by authorized officials will be received by Suzanne Tungate, Assistant Finance Director at 525 North Tryon Street, 12<sup>th</sup> Floor, Charlotte, NC 28202 or the first section may be received electronically at [stungate@centralina.org](mailto:stungate@centralina.org) until **December 2, 2016 at 2:00 p.m.** Responses sent late whether by mail or electronically which are delivered will **not** be accepted.

All prospective firms should be available to interview with the selection team on **January 18<sup>th</sup> 2017**. Individual interview will be set for each audit firm. Presentations should not take more

than 30 minutes with 15 to 20 minutes for questions from the selections team. **The Finance Committee will decide if interviews are necessary for selection purposes.**

Envelopes containing proposals should be clearly identified on the front with the words “RESPONSE TO RFP FOR AUDIT SERVICES”. If submitting first section electronically, the subject line should read, “RESPONSE TO RFP FOR AUDIT SERVICES”, however, the second sections must be sent via standard or express delivery clearly labeled and by the times indicated above. The Finance Committee and Staff will review the proposals and make a recommendation to the Executive Board during a **special called meeting prior to our regular meeting on February 8, 2017** at which time the contract will then be awarded.

Any questions should be directed to Suzanne Tungate, Assistant Finance Director, at [stungate@centralina.org](mailto:stungate@centralina.org) or Marsha Sutton, Finance Director, at [msutton@centralina.org](mailto:msutton@centralina.org) before **November 21, 2016**. All questions and answers will be shared with each firm that has signed and returned and acknowledgement of receipt and intent to respond to the proposal.

### **Description of the Governmental Entity and Its Accounting System**

#### **Entity**

Centralina Council of Government is a CCOG in North Carolina working with the municipalities and counties within a nine county area surrounding Charlotte, NC.

Based on the criteria set forth in GASB Statement 14, the following organizations will be included in the audit:

- Centralina Workforce Development Consortium (discrete component)
- Centralina Foundation, Inc. (blended component)
- Centralina Economic Development Commission, Inc. (blended component)

The CCOG maintains the following funds:

- Governmental Funds
  - General Fund
  - Special Revenue Funds:
    - Grant Project Fund

Budgeted revenues for FY 2016-2017 for the General Funds are approximately \$6,000,000, with Pass through Special Revenue Funds of approximately \$9,700,000 and approximately \$4,500,000 in Pass through Workforce Development funds, our discretely presented component unit.

## **Grants, Entitlements, and Shared Revenues**

Included with the RFP is a prior year financial statement reflecting all major programs. A copy of the Schedule of Expenditures of Federal and State Awards for the year ended June 30, 2016 is contained within these statements.

## **Budgets**

The unit budgets all funds on the modified accrual basis of accounting as required by North Carolina law. Appropriations are made at the departmental level. The unit also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide easy comparison with actual expenditures.

## **Accounting Records**

The CCOG maintains all its accounting records at the finance office located at 525 North Tryon Street, 12<sup>th</sup> Floor, Charlotte, NC 28202. **However, we will be moving to new offices at 9815 David Taylor Drive, Charlotte, NC, 28262 tentatively during the month of January 2017.** The governmental unit maintains its cash receipts journal, cash disbursements journal, general ledger, and accounts receivable ledger on a client server system. The software is AccuFund Accounting Suite.

## **Assistance Available to Auditor**

The unit will make available to the auditor sufficient help to pull and re-file records, and prepare and mail all necessary confirmations. A trial balance with budgeted amounts will be made available via Excel on a date as agreed upon by CCOG staff and the audit firm. The following accounting procedures will be completed and documents prepared by C staff no later than the an agreed upon date:

- The books of account will be fully balanced.
- All subsidiary ledgers will be reconciled to control accounts.
- All bank account reconciliations for each month will be completed.

The unit's personnel will prepare the following items:

### **General**

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. General Ledger transaction detail report for each account. (List any exceptions)
4. A copy of the original budget, all amendments, and the final budget as of June 30, 2017.

5. A copy of all project ordinances and all amendments for active projects during the audit period.
6. A copy of the operating and capital lease schedules itemizing contracts in force during the audit period as well as access to the lease files maintained in the CCOG office.
7. A copy of board policies, including travel and investment policies.
8. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, faxes regarding the audited financial statements and compliance reports for the previous year.
9. Management's Discussion and Analysis
10. Required supplementary information

### **Cash and Investments**

1. All bank reconciliations for each month
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year end.

### **Receivables**

1. Listing of outstanding General Fund receivables by account as of the fiscal year end.
2. Listing of outstanding Grant receivables in detail as of the fiscal year end.
3. Schedule of miscellaneous receivables booked as of the fiscal year end.

### **Other Assets**

1. Schedule of insurance coverage.

### **Capital Assets**

1. Printout of all capital asset acquisitions made during the audit year.
2. Printout of all capital asset dispositions made during the audit year.
3. Access to printout containing calculations used in balancing the Capital Assets subsystem to the government-wide statements.
4. Printout of depreciation expense posted for the audit year.

### **Current Liabilities**

1. Schedule of accounts payable including batch printouts.

### **Long-Term Debt**

1. Computation of vested vacation payable as of the audit date.

### **Grants**

The following will be compiled for each grant:

1. Grant agreement.
2. Budget.
3. All financial reports.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.

## **Conversion**

1. Entries to convert from fund to government-wide statements
2. Working Statement of Net Position
3. Working Statement of Activities
4. Allocation of depreciation among functional areas
5. Computation of additions and retirements of compensated absences
6. Reconciliation of fund and government-wide statements
7. Worksheet for determination of major funds
8. Worksheet of combining statements for non-major funds

## **Size and Complexity of Unit**

### Personnel/Payroll

Number of employees	approximately 45 FT, 75PT
Frequency of payroll	bi-weekly
Number of payroll direct deposit advises	approximately 100

### Purchasing

Number of purchase orders issued	1500
----------------------------------	------

### Bank Accounts

Number of bank accounts	6
Average monthly activity in main accounts	
Number of deposits (Central Depository)	daily deposits
Number of checks:	
Central Depository	1500

### Management Information Systems:

Number of PCs on the premises	50
Number of servers	8
Number of employed programmers capable of modifying the operating system and the applications programs	None – Contracted IT

The following financial applications are on the computer system:

General Ledger  
Accounts Payable  
Grants/Project Accounting  
Payroll  
Capital Assets  
Accounts Receivable

#### Special Conditions

Grantor agencies require any additional statements or schedules

#### Contact information:

Name: Suzanne Tungate  
Title: Assistant Finance Director  
Centralina Council of Governments  
Address: 525 North Tryon Street, 12<sup>th</sup> Floor  
City, NC zip: Charlotte, NC 28202

Phone: 704-348-2704

Fax: 704-347-4710

Email: [stungate@centralina.org](mailto:stungate@centralina.org)

or

Name: Marsha Sutton  
Title: Finance Director  
Centralina Council of Governments  
Address: 525 North Tryon Street, 12<sup>th</sup> Floor  
City, NC zip: Charlotte, NC 28202

Phone: 704-348-2716

Fax: 704-347-4710

Email: [msutton@centralina.org](mailto:msutton@centralina.org)

SUMMARY OF AUDIT COSTS SHEET

1. Base Audit Includes Personnel costs, travel, and on-site work	\$ _____
2. Financial Statement Preparation	\$ _____
3. Extra Audit Service \$ _____ per hour	\$ _____
4. Other (explain) _____	\$ _____
5. Other (explain) _____	\$ _____
<b><u>TOTAL</u></b>	\$ _____





Centralina Council of Governments

### **Item 3**



## Board Agenda Item Cover Sheet

<b>Board Meeting Date:</b>	November 9, 2016	<b>Agenda Item Type:</b>	<b>Consent:</b>		<b>Regular:</b>	X
<b>Submitting Person:</b>	Marsha G. Sutton	<b>Presentation Time (est.):</b>	30 minutes			
<b>Presenter at meeting:</b>	Dixon Hughes, Audit Firm	<b>Phone Number/Ext:</b>	704-348-2716			
		<b>Email:</b>	<a href="mailto:msutton@centralina.org">msutton@centralina.org</a>			
<b>Alternate Contact Person:</b>		<b>Phone Number/Ext:</b>				
		<b>Email:</b>				
<b>Submitting Department:</b>	Finance	<b>Department Head Approval:</b>				
<b>Board Expectation:</b> <i>(required action or responsibility expected from Board members)</i>						
The required action from the Board members is an understanding of the financial position as of June 30, 2016 and resolution of any questions about financial activity for the period ending June 30, 2016.						
<b>Description of Agenda Item:</b>						
Financial Statements and results of the financial audit for Fiscal Year Ending June 30, 2016:  Dixon Hughes Goodman, LLP worked on the audit engagement for fiscal year ending June 30, 2016 to perform the financial audit and assist in the preparation of the financial statements as well as performed the single audit for the fiscal year. Centralina staff worked diligently to prepare the financial statements and to provide all the necessary information and documentation. Brian Brown, the engagement partner, will make a presentation at the meeting and field any questions.						
<b>Background &amp; Basis of Recommendations:</b>						
The Executive Director and Finance Director are asking the Board to make a motion to approve and accept the audit as presented.						
<b>Action / Recommendation:</b>						
<b>Time Sensitivity</b> <i>(none or explain):</i>						
<b>Budget Impact</b> <i>(if applicable):</i>	None.					
<b>List of Attachments</b> <i>(if any):</i>	None. (FY2015-2016 Financial Statements to be provided separately.)					



Centralina Council of Governments

## **Item 4**



## Board Agenda Item Cover Sheet

<b>Board Meeting Date:</b>	November 9, 2016	<b>Agenda Item Type:</b>	<b>Consent:</b>	<b>Regular:</b>	x
<b>Submitting Person:</b>	Vicki Bott	<b>Presentation Time (est.):</b>	20 minutes		
<b>Presenter at meeting:</b>	Leslie Mozingo	<b>Phone Number/Ext:</b>	202-255-5760		
		<b>Email:</b>	<a href="mailto:leslie@strategics.consulting">leslie@strategics.consulting</a>		
<b>Alternate Contact Person:</b>	Vicki Bott	<b>Phone Number/Ext:</b>	704-348-2702		
		<b>Email:</b>	<a href="mailto:vbott@centralina.org">vbott@centralina.org</a>		
<b>Submitting Department:</b>	<b>Grants Development</b>	<b>Department Head Approval:</b>			
<b>Board Expectation: (required action or responsibility expected from Board members)</b>					
The Executive Board will receive a performance report for September-October from Strategics Consulting, and will consider an amendment to the current contract with Strategics Consulting.					
<b>Description of Agenda Item:</b>					
<p>Federal Relations Update:</p> <p>Leslie Mozingo of Strategics Consulting will present a performance measures report for the period September-October 2016, based on performance measures previously approved by the Executive Board, and a proposed contract amendment responding to the Executive Board's request to consider lobbying services.</p>					
<b>Background &amp; Basis of Recommendations:</b>					
<p><u>Regular Performance Report.</u> The Executive Board has requested that specific performance measures for CCOG's contract with Strategics Consulting be reported on at each Executive Board meeting. Leslie has prepared a September-October Performance Report for the Executive Board's review.</p> <p><u>Contract Amendment.</u> At its September 14, 2016 meeting, the Executive Board requested that an option be presented at this November meeting for Strategic Consulting to perform some federal lobbying work for CCOG. The current contract with Strategics specifically limits Leslie's role to "consultant-only" and not "consultant-lobbyist". While CCOG has never had a lobbyist, many of its member governments do. The attached Comparison Chart identifies activities that are shared by consultants and lobbyists, and those that are distinct to lobbyists.</p> <p>The option presented has been prepared in consultation with CCOG staff and the Federal Relations Committee members of this Executive Board. It allows for Leslie's role to be "consultant-lobbyist", at no additional cost to CCOG and provided that CCOG is made aware of and approves lobbying activities prior to their performance. For example, activities that this option would allow that are not permitted in the "consultant-only" role include: scheduling of CCOG meetings with Members of Congress and accompanying CCOG Delegates and staff at such meetings, providing CCOG information to Members of Congress (and their staff) and discussing CCOG projects or needs with Members of Congress. Once the lobbying activities threshold is reached, Leslie will be required to file a standard federal lobbying disclosure form.</p> <p>The proposed amendment also makes one typographical change to correct the year of the end date of the contract, and adjusts the due date of the updated "Strategic Action Plan" to allow for post-election evaluation of CCOG's needs.</p>					
<b>Action / Recommendation:</b>					
<p>The Board is asked to receive as information the performance report and provide feedback on the results reflected in it.</p> <p><i>I move that the Strategics Consulting Performance Report for July-August 2016 be accepted</i></p> <p>The Board is asked to discuss the contract amendment as presented and the ramifications, if any, of approving the contract amendment. The Board may either approve the amendment, decline it, or table it.</p>					



*I move that the proposed lobbying services amendment to the Strategics Consulting contract be:*

- *Approved.*
- *Declined.*
- *Tabled for future consideration.*

<b>Time Sensitivity</b> <i>(none or explain):</i>	None.
<b>Budget Impact</b> <i>(if applicable):</i>	None.
<b>List of Attachments</b> <i>(if any):</i>	<ul style="list-style-type: none"> <li>• <i>Strategics Performance Report September – October 2016</i></li> <li>• <i>Federal Relations Status Report</i></li> <li>• <i>Comparison chart: Federal Relations Consultant vs. Lobbyist Roles</i></li> <li>• <i>Proposed Amendment for Lobbying Services to the contract with Strategics Consulting</i></li> <li>• <i>Current Contract with Strategics as executed</i></li> </ul>

## PERFORMANCE REPORT: SEPTEMBER – OCTOBER 2016

### VALUE TO CCOG

Review and provide feedback on federal competitive grants prior to submission, draft letters of support and organize support strategies.

- ✓ No competitive grants given to Strategics for review, feedback, etc.

Analyze federal agency grants for areas of opportunities to support CCOG priorities:

- Innovation Corridors
- Career Headlight
- Regional Freight

- ✓ Search in all categories ongoing. October advocacy talking points continued to focus on specifically asking Members of Congress for help with securing funds for Innovation Corridors.

Where there are no good fits, work with CCOG to start creating new opportunities for the priorities listed above.

- ✓ Provided material, advice and key contact for phone call to U.S. DOT Secretary Foxx seeking end-of-fiscal-year pilot project to conduct Innovation Corridors regional transit study.
- ✓ More opportunities will exist after the elections when the new Administration and the new Congress are in place.

Alert CCOG to competitive grant funding opportunity announcements.

- ✓ First federal quarter forecast of grants to be expected and the usual timing of those announcements provided in September. Annual forecast work continued.
- ✓ Grants News sent September 13 and October 31.

Alert CCOG to legislation and executive action where new funding opportunities are created.

- ✓ No new announcements during this time.

Build knowledge of CCOG's positive reputation with Congressional Delegation and Executive Offices.

- ✓ Communications with CCOG staff and its members following up on advocacy meetings, both on meetings held and those not yet held, and next steps to be taken.
- ✓ Updated Congressional Calendar Timeline, provided to Board of Delegates on October 12.

Connect CCOG with key points of contact.

- ✓ Provided contacts for U.S. Senators Burr and Tillis, U.S. DOT Secretary Foxx, and U.S. Rep. Robert Pittenger.

Report quarterly to Executive Board.

- ✓ Developed changes to consultant agreement for proposed lobbying activities, created comparison chart, and worked with Committee to review and approve.
- ✓ Performance report and presentation given to Executive Board on September 14.

## **VALUE TO CCOG MEMBERS**

Provide notice on competitive grant opportunities for local governments.

- ✓ Grants News sent September 13 and October 31.
- ✓ Federal first quarter forecast of grants completed and delivered in September. Annual forecast work continued.

Conduct quarterly “Lunch and Learn” grants workshops at CCOG offices.

- ✓ First grants workshop held October 26 at full capacity, with waiting list.

Review and provide feedback on six federal competitive grants brought forward from CCOG members on a first-come-first-serve basis, prior to submission, as well as draft letters of support and organize support strategy for those six applications.

- ✓ Pending Executive Board input on how those decisions will be made.

Draft customized talking points for communications with Congressional Delegation and staff members.

- ✓ Prepared talking points for October meetings with U.S. Reps. Alma Adams and Patrick McHenry. In both cases these were individual opportunities for discussions about CCOG initiatives as part of another event and not a group meeting scheduled by a CCOG member.

***For more information, contact Leslie Mazingo at (202) 255-5760 or [leslie@strategics.consulting](mailto:leslie@strategics.consulting).***

Objective	Task	By	Who	Dependencies, Notes
<b>COMPETITIVE GRANTS</b>	Grants News	Done Oct 31	LM	
	Federal Grants Forecast -- Annual	In Process	LM	
	Grants Workshop	Done Oct 26	LM/VB	Completed with full capacity, waiting list; excellent feedback
	Grant application review as requested for LM		LM/VB	JP recommended 1 per quarter
	Assistance to Firefighters Grant			Applications due Nov 18
	Community Food Projects			Applications due Nov 30
	Brownfields			Applications due Dec 20

Objective	Task	By	Who	Dependencies, Notes
<b>PERFORMANCE METRICS</b>	Performance Report	done	LM	To be delivered at Nov 9
<b>LOBBYST VS CONSULTANT</b>	Draft approved by legislative committee	done	LM/VB	
	Final materials for Nov. EB meeting	done	LM/VB	

Objective	Task	By	Who	Dependencies, Notes
<b>Research funding opportunities</b>	Career Headlight	ongoing	LM	High priority focus area
	Innovation Corridors	ongoing	LM	High priority focus area
	Regional Freight	ongoing	LM	High priority focus area

Objective	Task	By	Who	Dependencies, Notes
<b>ELECTED-TO-ELECTED ADVOCACY</b>	Follow-up on scheduling for October recess		LM	Tillis – Feb 8. Pittenger as schedules allow; Burr/ Ross in Feb
	Draft Talking Points - Patsy Kinsey – Transit Tour with Alma Adams, - Martin Oakes – Oct 31, passing out Halloween candy with Rep. Patrick McHenry	Provided as scheduled	LM	Well-crafted message; note committees; gentle reminder these are CCOG meetings.

Objective	Task	By	Who	Dependencies, Notes
<b>Revised Federal Action Plan</b>	Prepare updated FAP for review with management and approval by EB	Nov 30	LM	

Objective	Task	By	Who	Dependencies, Notes
<b>WEBINAR#4</b>	Choose Topic and Date		VB	Freight? (per Jim)



## RECENTLY COMPLETED

Objective	Task	By	Who	Dependencies, Notes
<b>PERFORMANCE METRICS</b>	Approved by EB	9-14-16	LM	
	First report delivered and reviewed with EB	9-14-16	LM	
	Congressional Calendar task list	done	LM / VB	Handout at BoD meeting 9/12.

Objective	Task	When	Who	Dependencies, Notes
<b>AUGUST ADVOCACY</b>	Assisted with scheduling meetings and prepared talking points		LM	HUDSON, Aug 29 <sup>th</sup> @ noon FOXX, Aug 31 <sup>st</sup> , @ 2 pm
<b>One Minute Floor Speech</b>	Developed strategy and purpose; prepared draft speech; talking points for MJ to Rep. Foxx; draft email from staff-to-staff; supplied link to Congressional Record page and follow-up recommendations	July	LM	Rep. Foxx delivered one minute floor statement on July 6, at XX time, page H4290 of the Congressional Record.  VB completed follow-up; JP used for validation CR page helped with Foundation recognition he was looking for
<b>Other priorities</b>	Non-entitlement CDBG uses in NC – work with Lee Worsley directly		LM	Postponed until after elections and assess then

<b>WEBINAR #3 on Aging</b>	Discuss potential other venues for sharing the webinar	DONE	LM/VB	Also, posted / shared in follow-up email to congressional staff
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## FEDERAL RELATIONS CONSULTANT VERSUS LOBBYIST

<b>Activity</b>	<b>CONSULTANT</b>	<b>LOBBYIST</b>
Advise client on methods of communications with congressional offices and federal agencies.	✓	✓
Identify federal grant programs suited to client needs.	✓	✓
Review and comment on client's federal grant applications.	✓	✓
Discuss grant programs with federal grant program officers	✓	✓
Provide materials for client's use with federal officials and staff	✓	✓
Provide materials to federal officials and staff on client's behalf.		✓
Discuss client/client projects with federal officials and staff		✓
Schedule advocacy meetings for client to attend.		✓
Attend advocacy meetings with client, as needed.		✓
File Lobbying Disclosure Act forms.		✓

## AMENDMENT

### Exhibit B, Additional Statement of Work, Federal Relations Consulting Services

This Amendment to Exhibit B, Additional Statement of Work, Federal Relations Consulting Services, is entered into by CENTRALINA COUNCIL OF GOVERNMENTS and STRATEGICS CONSULTING, LLC, as of November \_\_, 2016, for the purpose of amending the Additional Statement of Work with Effective Date July 1, 2016 (“Exhibit B”), and its attached Exhibits B-1 and B-2, which are each part of the Services Agreement dated July 1, 2015 between the parties.

Exhibit B and its attached Exhibits B-1 and B-2 are hereby amended as follows:

#### 1. EXHIBIT B, DELIVERABLES DUE DATE AMENDED

Replace Deliverables item 1 Due Date of “August 31, 2016” with “November 30, 2016”

#### 2. EXHIBIT B, PERIOD OF PERFORMANCE, CORRECTION

Replace period of performance end date of “June 30, 2016” with “June 30, 2017”

#### 3. EXHIBIT B-1 AMENDED

Replace in its entirety the paragraph headed “**Exhibit B-1, III. Additional Provisions. 1. Lobbying.**” as follows: “1. Lobbying. The Parties acknowledge that at times it is more efficient for Consultant to interact with federal personnel on CCOG’s behalf and that this requires Consultant to file a Lobbying Disclosure form. Consultant agrees to undertake lobbying activities as directed and to file forms as required. Consultant further agrees to make every effort to provide CCOG with notice of any proposed lobbying activities to allow CCOG time to make and communicate a reasonably considered decision whether to allow the Consultant to engage in the activities directly or to develop alternative activities to be carried out by CCOG with Consultant providing instruction and support only.”.

#### 4. EXHIBIT B-2, SERVICES PROPOSAL, DATED MAY 23, 2016, AMENDED

Add as an additional services paragraph the following:

Services provided are expanded at no additional cost or change to the fee structure to include direct contact by consultant with federal officials, including CCOG’s elected Congressional Delegation and their staff, federal agencies’ appointees and staff and the Administration, in collaboration with CCOG and on the organization’s behalf. This may include, but is not limited to the following:

- Schedule meetings and phone calls with federal officials, develop the strategy to be taken, and prepare CCOG’s elected officials and representatives;
- Participate in meetings with federal officials and staff and provide necessary follow-up; and
- Communicate directly with NC Congressional Delegation in collaboration with CCOG and on the CCOG’s behalf.

Authorization. This Amendment has been executed by each Party’s duly authorized representative as of the date below such Party’s signature.

STRATEGICS CONSULTING, LLC

CENTRALINA COUNCIL OF GOVERNMENTS

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

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

Name, Title: Leslie C. Mazingo, CEO

Name, Title: Jim Prosser, Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

“This instrument has been pre-audited in the manner required by the North Carolina Local Government Finance Act.”

\_\_\_\_\_  
Signature of CCOG’s Finance Officer

**EXHIBIT B**

**Additional Statement of Work  
Federal Relations Consulting Services**

This Statement of Work (this “SOW”), dated as of the 1st day of July, 2016 (the “Effective Date”), is by and between CENTRALINA COUNCIL OF GOVERNMENTS, a North Carolina regional council of governments pursuant to Chapter 160A, Article 20, Part 2 of the General Statutes of North Carolina and having a principal place of business at 525 North Tryon Street, 12<sup>th</sup> Floor, Charlotte, North Carolina 28202 (“CCOG”), and Strategics Consulting, LLC, a NC corporation having a principal place of business at 4315 Woodbourne Drive, Clemmons, NC 27012 (“Consultant”), pursuant to which Consultant will provide to CCOG the services described in this SOW (the “Services”). CCOG and Consultant have previously entered into a Services Agreement (the “Agreement”). The Agreement is incorporated into this SOW by this reference. In the event of any conflicting or additional terms between this SOW and the Agreement, the Agreement will govern, except with respect to the Work Plan, Fees, and Additional Provisions provided in Exhibit B-1.

Contract No.:	Consultant:	<b>Strategics Consulting, LLC.</b>
Statement of Work No.: 2	As of Date:	<b>6-27-16</b>
Project Title: <b>Federal Relations Consulting</b>		
CCOG’s Project Manager: <b>Vicki Bott</b>	Consultant’s Project Manager: <b>Leslie Mozingo</b>	
Telephone No.: <b>704-348-2702</b>	Telephone No.: <b>336-766-1801</b>	
<b>Description of Work</b>		
As specified in the attached Exhibits B-1 & B-2.		
<b>Deliverables (including technical specifications and completion/acceptance criteria)</b>		<b>Due Dates</b>
1. Update Strategic Plan for Federal Funding of CCOG priority initiatives 2. Federal Grant Applications Review 3. Other services All as detailed in Exhibits B-1 & B-2.		1. August 31, 2016 2. Upon Request 3. Ongoing
<b>Period of Performance, Terms of Payment and Ceiling Amount</b>		
This Statement of Work is effective from the Effective Date above through June 30, 2016. Fees will be as specified in Exhibit B-1, and payable within 45 days of monthly invoices. The amount due to Consultant pursuant to this Statement of Work may not exceed the limit specified in Exhibit A-1 unless proper written justification has been submitted to the CCOG Project Manager and approved by a CCOG officer <b>prior to performance of work</b> . If necessary, the Project Manager will issue a revised Statement of Work. <b>Each invoice shall reference the Contract Number, the Statement of Work Number and the Tasks(s) under that SOW for which work has been performed.</b>		
<b>E-Verify. (Check one:)</b>		
<input type="checkbox"/> E-Verify requirements <b>DO</b> apply to this Scope of Work. Consultant agrees that for this Statement of Work, it shall not enter into any subcontracts under this Statement of Work unless such subcontractor (a) affirms either its exemption from or compliance with the E-Verify requirements of NCGS Chapter 64 Article 2 and (b) agrees to similarly ensure its subcontractors’ affirmation of exemption from or compliance with those statutes.		
<input checked="" type="checkbox"/> E-Verify requirements <b>DO NOT</b> apply to this Scope of Work.		

**Authorization.** This Statement of Work has been executed by each Party's duly authorized representative as of the date below such Party's signature.

**STRATEGICS CONSULTING, LLC.**

By: Leslie C. Mozingo  
Name: Leslie C. Mozingo

Title: CEO

Date: July 20<sup>th</sup>, 2016

**CENTRALINA COUNCIL OF GOVERNMENTS**

By: Jim Prosser  
Name: Jim Prosser

Title: Executive Director

Date: 7/22/16

*"This instrument has been pre-audited in the manner required by the North Carolina Local Government Finance*

*Act."*  
Marsha S. Sutton  
Signature of CCOG's Finance Officer

**EXHIBIT B-1**

**Federal Relations Consulting Services Work Plan, Fees & Additional Provisions**

This Exhibit B-1, effective as of July 1, 2016, is incorporated into the Services Agreement by and between Centralina Council of Governments and Strategics Consulting, LLC with effective Date July 1, 2016 (the "Agreement") as an attachment to the Agreement's Exhibit B Additional Statement of Work.

- I. **Services.** Consultant's services to CCOG shall be provided in accordance with Consultant's proposal dated May 23, 2016, attached as Exhibit B-2 and Exhibit B's Due Dates.

*[Note that Consultant's drafting of grant applications for CCOG review is not included in this Work Plan and may be provided under a separate Statement of Work.]*

- II. **Fees.** CCOG shall pay Consultant for services under this Statement of Work a flat fee of \$3,500 per month. The annual limit for Consultant fees under this Statement of Work is \$42,000. Consultant shall invoice CCOG in monthly installments for work completed during the prior monthly period.

- III. **Additional Provisions:** These additional provisions have effect for this Statement of Work only:

1. **Lobbying.** The Parties acknowledge, while it is not the intent of either Party for Consultant to engage in lobbying on behalf of CCOG, that Consultant's interactions with federal personnel on CCOG's behalf may nevertheless reach the legal thresholds for requiring Consultant to file a Lobbying Disclosure form. Consultant agrees not to undertake any activities that would result in filing a Lobbying Disclosure form without CCOG's express written consent. Consultant further agrees to make every effort to provide CCOG with notice of any proposed activities that would require such consent or filing sufficiently in advance whenever possible to allow CCOG time to make and communicate a reasonably considered decision whether to develop and carry out alternative activities that would avoid filing a Lobbying Disclosure form or to allow the activities.

2. **Conflicts of Interest and Disclosure of Agreement.** Consultant will provide CCOG with a written list of current clients to assist CCOG in assessing any current or potential perceived conflicts of interest. Consultant will further notify CCOG of any pending new clients and provide an updated list of current clients upon accepting new clients, to allow CCOG to identify any perceived conflicts of interest. The terms of Article VI.D of the Agreement notwithstanding, Consultant may share with Consultant's clients that are receiving the same or similar federal relations services as CCOG the fact that Consultant has been engaged by CCOG to provide federal relations services, provided, however, that Consultant's disclosure of other information, such as specific services or fees, to those clients requires CCOG's prior written permission. Disclosure regarding the Agreement or any Statement of Work to non-client third parties remains as allowed or limited in Article VI.

3. **Exclusive Services and Types of Deliverables.** For purposes of this Statement of Work, a "General Use Deliverable" is information or materials prepared by Consultant expressly for the use of all of its clients and to which CCOG's access is a Deliverable under this Statement of Work. CCOG's execution of this Statement of Work constitutes prior written permission, in accordance with Article VIII of the Agreement, for Consultant to disclose such General Use Deliverables to its other clients or to any third parties of Consultant's choosing. CCOG agrees not to disclose without Consultant's prior written permission such General Use Deliverables to any third parties except CCOG's own member organizations.

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**Exhibit B-2**  
**SERVICES PROPOSAL**  
**May 23, 2016**

Strategics Consulting will continue to provide federal relations consulting services as follows:

- Federal Funding:
  - Update Federal Action Plan to advance CCOG priorities;
  - Notify CCOG on grant opportunities, as well White House initiatives and federal agency announcements;
  - Outline congressional legislative activity that results in new grants forthcoming;
  - Review federal grant applications to make them more competitive;
  - Advise on garnering congressional support for grant applications;
- Congressional & Federal Agency Relationship-building:
  - Coach Executive Board and elected officials to promote active engagement and build stronger relationships with the congressional delegation and federal agencies making funding decisions;
  - Advance staff-to-staff relationships through quarterly webinars and by way of personal connections;
  - Recommend key federal contacts needed to advance CCOG's priorities;
  - Develop briefing materials and talking points;
  - Create tailored strategies for making those contacts;
  - Provide federal advocacy advice continuously through weekly calls with management and staff;
- Other services on request:
  - Attend local meetings and events as requested; and
  - Serve as a resource to the organization and its members.

In addition to the above, and in relation to the attached Congressional timeline, specific services will also be provided from July 2016 through January 2017 to address the uniqueness of the election cycle, as well as changes in CCOG's and NC's congressional delegation, in Congress and the Administration, as follows:

July 2016 - January 2017

- Support Executive Board during July - August Recess Advocacy.
- Report to Director on potential impacts of congressional redistricting and Presidential candidates.
- Provide elections report.
- Meetings with stakeholders as needed after elections.
- Modify Federal Action Plan after elections and present changes to Executive Board for approval.
- Identify key positions and political appointments.
- Report on new federal programs and funding opportunities anticipated by the Administration.

**FEES FOR SERVICES**

- July 1, 2016 – June 30, 2017
- \$3,500 per month / Net 45 / \$42,000 total.
- No expenses.
- Termination by either party with 60 days' notice in writing.





Centralina Council of Governments

## **Item 5**



## Board Agenda Item Cover Sheet

<b>Board Meeting Date:</b>	November 9, 2016	<b>Agenda Item Type:</b>	<b>Consent:</b>		<b>Regular:</b>	X
<b>Submitting Person:</b>	Kelly Weston	<b>Presentation Time (est.):</b>	5 minutes			
<b>Presenter at meeting:</b>	Patsy Kinsey	<b>Phone Number/Ext:</b>				
		<b>Email:</b>				
<b>Alternate Contact Person:</b>	Kelly Weston	<b>Phone Number/Ext:</b>	(704) 348-2728			
		<b>Email:</b>	<a href="mailto:kweston@centralina.org">kweston@centralina.org</a>			
<b>Submitting Department:</b>	<b>General Government</b>	<b>Department Head Approval:</b>	Jim Prosser			
<b>Board Expectation: (required action or responsibility expected from Board members)</b>						
The Board of Delegates is asked to receive and provide feedback on an update on planning activities for the 2017 CCOG Regional Conference.						
<b>Description of Agenda Item:</b>						
The Executive Board will receive a brief update on planning activities for the CCOG Regional Conference.						
<b>Background &amp; Basis of Recommendations:</b>						
<p>The CCOG Regional Conference, “Creative Solutions for Thriving Communities,” is designed to provide elected officials and local government staff with practical tools and solutions to address their communities’ biggest challenges. The next Conference will be held on April 6, 2017 at the Charles Mack Citizen Center in Mooresville.</p> <p>Through a partnership with the Federal Reserve Bank of Richmond and the Federal Deposit Insurance Corporation, staff anticipates securing a keynote speaker at a cost-savings and attracting new sponsors.</p>						
<b>Action / Recommendation:</b>						
Receive as information.						
<b>Time Sensitivity (none or explain):</b>	Sponsorship recruitment should begin as soon as possible in order to meet the sponsorship goal of approximately \$35,000.					
<b>Budget Impact (if applicable):</b>	Conference revenues of \$54,000 in the form of sponsorships and registration fees are expected to equal or exceed overall expenses of \$51,350.					
<b>List of Attachments (if any):</b>	None.					