

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution 99-07

For the Purpose of Approving a Support Services Agreement with Metro.

WHEREAS, Metro Code Section 6.01.040(m) provides in pertinent part that MERC's power and authority includes the right:

To determine the type, quality, and scope of services required by the commission in order to conduct its business in a cost effective, entrepreneurial, and independent manner, as required by this chapter. Services of the district including accounting, personnel, risk management, public affairs, and other services may be provided by the district subject to compensation being provided by the commission to the district as the district and the commission may agree upon. The commission may acquire such services by other means, provided that the commission determines by duly adopted resolution that the provision of such services by other means is cost effective, and results in a net benefit to the residents of the district and the regional facilities managed by the commission. The commission shall provide Metro with 90 days written notice of its intent to purchase any service outside of Metro, which was previously provided by Metro.

WHEREAS, MERC staff have negotiated an agreement with Metro and recommends that the Commission approve the services agreement now, so as to ensure that adequate support services will be in place by July 1, 1999, and.

WHEREAS, it is the desire of the Commission to implement Metro Code Section 6.01.040(m) on an ongoing basis, by continuing to evaluate support services so as to ensure that MERC conducts its business in the most cost effective, entrepreneurial, and independent manner as possible, and

WHEREAS, The agreement preserves MERC's right under Metro Code Section 6.01.040(m) to terminate the agreement without cause upon 90 days notice to Metro,

NOW THEREFORE BE IT RESOLVED THAT:

1. The Commission approves the proposed Memorandum of Understanding between MERC and Metro for provision of support services as attached as Exhibit A to the original Resolution only.
2. The General Manager is authorized to sign the Memorandum of Understanding on behalf of the Commission.

3. MERC staff is directed to continue to evaluate MERC's need for support services in order to ensure that MERC is operating in the most cost effective, entrepreneurial, and independent manner possible, and to bring any proposals for improvements in MERC's support services to the Commission for its consideration.

Passed by the Commission on February 26, 1999.



Chair



Secretary-Treasurer

Approved As To Form:
Daniel B. Cooper, General Counsel

By:



Kathleen Pool
Senior Assistant Counsel

MERC STAFF REPORT

Agenda Item/Issue: Approving support services agreement with Metro.

Resolution No. 99-07

Date: February 26, 1999

Presented by: Mark B. Williams
David Biedermann

Background Analysis:

Section 6.01.040(m) of the Metro Code allows MERC to negotiate at arm's length with Metro's Administrative Services Department (ASD) for an acceptable agreement for support services, or, upon passage of a MERC resolution and 90 days advance notice to cease purchasing Metro services altogether, obtain those services by other means. Staff has engaged in a negotiating process with Metro's ASD with respect to the services that department can provide (note that legal services are handled separately, and was the subject of separate Memorandum of Understanding). The result of that negotiating process is the Memorandum of Understanding (MOU) for support services which is before you for your consideration today.

The highlights of the agreement are as follows:

MERC will be invoiced monthly and will pay Metro monthly.

The net cost of Metro's services under the agreement is \$949,355 on an annual basis. The cost for FY-98-99 is \$871,255.

The services are identical to FY98-99.

MERC's existing right under the reform ordinance to terminate the agreement upon 90 days notice and obtain its support services by other, more cost-effective means remains unimpaired by the Agreement.

Resolution 99-7, in addition to approving the MOU, directs MERC staff to continue to evaluate alternative means of providing support services in a more cost effective manner, and further directs MERC staff to bring any such proposals to the Commission for consideration.

Recommendation:

Staff recommends that the Commission approve Resolution 99-07 and authorize the General Manager to execute the Memorandum of Understanding, and direct staff to continue to evaluate alternative means of providing support services in the most cost-effective manner possible, subject to future Commission consideration, approval, and direction.



METRO

February 19, 1999

Mr. Mark Williams, General Manager
Metro Exposition-Recreation Commission
777 NE Martin Luther King Jr., Blvd.
Portland, OR 97232

Dear Mark:

Enclosed please find a Memorandum of Understanding and Scope of Work for Administrative Services and Human Resources services to MERC for the coming fiscal year. The MOU is based on our agreement reached earlier this month; the Scope of Work is the same as submitted to Commissioner Middleton in January.

I understand the MERC Commission is scheduled to consider next year's service agreement at a work session next Friday, February 26; the enclosed documents are to be included in the Commission's materials for that meeting.

Please let me know if you have any questions.

Sincerely,

Bruce Warner, Director
Regional Environmental Management

CC: David Biedermann
Jennifer Sims
Judy Gregory

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding, dated 3/5/99, (hereinafter, "Memorandum") is entered into between the Metropolitan Exposition-Recreation Commission (hereinafter, "MERC") and Metro's Administrative Services and Human Resources Departments (hereinafter, "Contractor"), collectively referred to as "the Parties," pursuant to the terms of Metro Code Section 6.01.040(m).

A. RECITALS

1. MERC is a municipal commission organized under Chapter 6 of the Metro Code.
2. Contractor is Metro's Administrative Services Department and Metro's Human Resource Department.
3. Section 6.01.040(m) of the Metro Code provides in pertinent part that MERC's power and authority includes the right:

To determine the type, quality, and scope of services required by the commission in order to conduct its business in a cost effective, entrepreneurial, and independent manner, as required by this chapter. Services of the district including accounting, personnel, risk management, public affairs, and other services may be provided by the district subject to compensation being provided by the commission to the district as the district and the commission may agree upon. The commission may acquire such services by other means, provided that the commission determines by duly adopted resolution that the provision of such services by other means is cost effective, and results in a net benefit to the residents of the district and the regional facilities managed by the commission. . . . The commission shall provide Metro with 90 days written notice of its intent to purchase any service outside of Metro which was previously provided by Metro.

4. This Memorandum is entered into between the Parties in order to implement on an administrative level the requirements of Metro Code Section 6.01.040(m).

B. TERMS

1. Term of Memorandum. The term of this Memorandum begins on July 1, 1999, and ends on June 30, 2000, unless earlier terminated by mutual agreement or as provided in the Metro Code.

2. Contract Documents/Precedence of Contract Documents/Scope of Services

A. Contract Documents. The Contract Documents shall consist of this Memorandum of Understanding, and Contractor's Business Services Proposal, dated January 12, 1999, a copy of which is attached and incorporated herein as Exhibit A.

B. Precedence of Contract Documents. This Memorandum of Understanding shall have the higher precedence of the Contract Documents, and its terms shall apply in the event of a conflict or ambiguity with Exhibit A.

C. Scope of Services. The scope of services to be provided to MERC by Contractor are as specified in Exhibit A. Should MERC wish to add any other service at a later date, the Parties agree to meet and bargain in good faith on the addition of those services. The Parties further note that services associated with the issuance of debt are not included in the services to be provided by Contractor to MERC under the terms of this Memorandum, and an amendment to this agreement must be concluded and approved by the Parties before any work is done or payment made in connection with the issuance of debt.

3. MERC's Right to Control Services. In all cases, MERC shall have the normal and accustomed right of a buyer of services to direct and evaluate the performance of Contractor; this shall not include the right to demand services from Contractor above and beyond those set out in the Contract Documents, absent subsequent mutual agreement to that effect.

4. Compensation/Credits /Invoices and Payments.

A. Compensation. The compensation due to Contractor from MERC for all of the services set out in the Contract Documents, on an annual basis, is \$949,355.

B. Credits. It is understood that the annual compensation of \$949,355 is a net figure, which includes credits against support charges of \$411,948 offered by Contractor to MERC. This \$411,948 in credits is contingent upon Metro Council approval of Contractor's proposal for offering MERC the credits. In the event that the Metro Council does not approve the full \$411,948 of proposed credits, this Memorandum of Understanding shall be null and void in all respects.

Assuming approval by the Metro Council of this credit proposal, MERC will apply the full amount of the credits at the beginning of the contract period.

C. Invoices and Payments. Contractor shall invoice MERC on the first of each month for the payment due for that month's services. MERC shall pay Contractor by the last day of that month for that month's services. Each monthly invoice will be one-twelfth (1/12) of the contract total of \$1,361,303; the parties acknowledge that MERC's first payment will be made in October, upon full application of the \$411,948 in credits.

5. Timeliness/Penalties

A. Timeliness. It is noted that MERC staff would like to continue to receive monthly financial reports prior to the regular monthly meeting of the Metro E-R Commission. Contractor agrees to continue to provide MERC with financial reports not later than 10:00 a.m. on the Friday immediately preceding the third Wednesday of each month. This time will be the deadline for Contractor to provide the reports, but Contractor agrees that its goal will be to provide the reports by 5:00 p.m. on the Thursday immediately preceding the third Wednesday of each month, and will make its best efforts to provide the reports by this time; Contractor further agrees to notify MERC if it is unable to meet the goal of providing the reports by Thursday at 5:00 p.m. In order for Contractor to be able to provide financial reports in a timely manner, it is understood and agreed that MERC will submit financial information in a timely manner; information that is not submitted timely may not be included in the current monthly report.

The Parties acknowledge that Contractor agrees to provide general ledger account reconciliations within 45 days of the end of each month. In the interest of timeliness, however, Contractor agrees to make its best efforts to provide general ledger account reconciliations within 30 days of the end of each month. Reconciliations subject to the 45 day commitment and 30 day goal are as follows: special deposit accounts; general accounts; advance ticket sales; advanced expenses; and accounts receivable.

B. Penalties. For any month in which Contractor fails to provide financial statements by the aforementioned deadline, Contractor shall credit MERC \$5,000. This \$5,000 credit shall apply to the current month's payment due to Contractor, or if MERC has no payment due, the credit shall be applied to the next month in which a payment is due. However, Contractor shall not be obligated to credit MERC in the event that MERC did not submit information to Contractor in accordance with section B5A above, and such action caused Contractor to be unable to provide timely reports.

6. Special Provisions.

A. Time Sheets. Contractor acknowledges that certain operations of the Portland Center for the Performing Arts (PCPA) have unique requirements and schedules. To accommodate these requirements, Contractor agrees that the deadline for submittal of employee time sheets to Payroll for the Event Services and Operations Departments of PCPA shall be 4:00 p.m. the day after the end of a semi-monthly pay period; the deadline for these two departments shall be 10:00 a.m. two days after the end of a pay period when the pay period ends on a weekend or holiday. All other MERC departments shall observe the regular deadline of 10:00 a.m. the day after the end of the pay period.

B. Security of Computer Networks and Data. Contractor's Information Management Services Division shall have authority to establish security provisions necessary to protect Metro's computer networks and data.

7. Dispute Resolution. In the event of failure by the Contractor to provide monthly financial reports to MERC in a timely manner, MERC shall notify Contractor in writing of the failure. If Contractor does not agree that it failed to perform, MERC's Director of Administration and Contractor's Director of Administrative Services shall meet within five working days of Contractor's receipt of MERC's notice to determine if they can agree whether Contractor failed to provide the required reports on time. If no agreement is reached within ten working days of meeting, the parties noted above shall select a person to resolve the dispute. This person shall receive no compensation for this task.

8. Re-negotiation of Compensation. MERC may initiate a re-negotiation of the compensation payable by MERC to Contractor pursuant to this Memorandum in the event of a significant unexpected budget shortfall for MERC. A significant unexpected budget shortfall for MERC shall be defined as an unanticipated 10% increase in MERC expenditures without a corresponding increase in revenues, or a 10% decrease in MERC revenues due to market conditions, natural disasters, or other occurrences beyond the control of MERC. In the event that MERC wishes to re-negotiate compensation pursuant to this paragraph, MERC shall provide Contractor with 30 days advance notice in writing. Thereafter, the Parties shall meet and bargain in good faith for a successor provision on compensation and/or service levels.

9. Review of Service Alternatives. Under the provisions of the Metro Code, MERC has the authority to acquire certain of Contractor's services from a provider other than Contractor. In order to ensure the best possible evaluation of service delivery

alternatives and determine the best service delivery option for MERC, the parties agree to conduct a joint review of service needs and alternatives, which will be completed prior to the preparation of the FY 2000-01 budget.

10. Efficiency Meetings. MERC and Contractor shall meet regularly to discuss service issues, methods of improving services, and potential cost efficiencies. MERC agrees to schedule time each quarter at its regular management team meetings to discuss contract and service matters with Contractor.

MERC

By: 

Mark B. Williams
General Manager

3/5/99

CONTRACTOR

By: 

Jennifer Sims, Director
Administrative Services Department

3-17-99

By: 

Judy Gregory, Director
Human Resource Department

MERC SERVICES PROPOSAL

January 12, 1999

SECTION 1 CURRENT SERVICES

HUMAN RESOURCES PACKAGE

RISK MANAGEMENT

EMPLOYEE BENEFITS

ACCOUNTING SERVICES PACKAGE

INFORMATION MANAGEMENT SERVICES

FINANCIAL PLANNING

CONTRACT SERVICES

HUMAN RESOURCES PACKAGE
Recruitment/Selection, Classification/Compensation and Labor Relations

Package Description

Human Resources provides a comprehensive set of services to recruit and hire employees, manage classification and compensation systems, and promote good labor/management relations.

Performance Standards

- Customer satisfaction ratings from MERC will be 90% or more "good or excellent."
- Recruitment announcements posted within four working days of receipt of request.
- Standard reclass reviews will be completed within 30 days of receipt of request.

Detailed Scope of Work: Recruitment & Selection

- Provide unlimited consulting on recruitment and selection issues.
- Ensure that information on recruitment requests is complete.
- Consult with Classification/Compensation Analyst if new criteria, duties and/or qualifications are proposed for position.
- Create job announcements.
- Print job announcements.
- Distribute job announcement to 32 posting locations within Metro/MERC.
- Mail and fax job announcements and application packages to five external posting locations.
- Update Metro's job line recording to include new position; delete it when job closes.
- For general public recruitments, create ad and place in local minority newspaper and the Sunday Oregonian; advertise weekly on Cable TV and in a job opportunities notice mailed weekly to approximately 100 community outreach locations.
- Review applications to make sure they are completed correctly; return incomplete or untimely applications by mail with form letter explaining reason for return.
- Create minimum qualification screening criteria for each position.
- Screen applications for minimum qualifications.
- Send reject letters to applicants who do not meet minimum qualifications.
- Forward remaining screened applications to hiring manager.
- Send reject letters to candidates who will not be interviewed.
- Send list of names, addresses and phone numbers of candidates whom hiring manager wishes to interview, or (upon request) contact candidates who will be given skills tests.
- Notify hiring manager if recruitment is underutilized for females and/or minorities.
- Create skills test appropriate for positions, upon request.
- Administer and score skills tests, upon request.

HUMAN RESOURCES PACKAGE

- Send reject letters to hiring managers for candidates who were interviewed but not hired.
- Prepare reports in accord with Affirmative Action/Equal Employment Opportunity law and requirements.
- Provide consulting services to hiring managers regarding recruitment administration and compliance with AA/EEO law and requirements.
- Provide consulting services to internal and external applicants.
- Respond to inquiries from applicants.
- Interpret MERC personnel policies.
- Conduct outreach recruitments at career fairs.

Detailed Scope of Work: Classification and Compensation

- Administer agency classification and pay policies
 - Review and implement approved classification and pay changes.
 - Maintain agency pay plans.
 - Distribute approved pay plans to management and other staff in the agency.
 - Coordinate implementation of the pay plans, meeting deadlines included in collective bargaining agreements.
 - Analyze, document and evaluate agency jobs (including desk audits) upon request for new positions or reclassifications.
- Maintain employee records
 - Update employee status changes, including new hires, terminations, transfers, reclassifications, merit and step pay adjustments.
 - Update changes to employee addresses, rates, shifts and other work-related changes.
 - File and archive employee records.
 - Ensure compliance with employment laws, by keeping current records and documentation, such as I-9 forms for Immigration & Naturalization Service requirements.
 - Respond to employment verification requests.
 - Ensure accuracy in pay rates and other information.
 - Update system tables pertaining to job codes, pay ranges, union codes, accrual codes, and status change codes.
 - Coordinate the implementation of pay plans and general increases with payroll and Human Resources staff.
 - Maintain and audit employee data.
- Provide reports to assist managers in Classification and Compensation needs
 - Provide ad hoc reports, upon request.
 - Provide personal services report for budget preparation.
 - Create Census reporting.

HUMAN RESOURCES PACKAGE

- Create reports as needed to meet legal requirements.
- Produce various reports in support of management bargaining teams.
- Compliance reporting
 - Produce Class/Comp portion of Affirmative Action report.
 - Produce EEO-4 report.
 - Produce various reports for compliance with State labor laws.
 - Assist in production of other required reports in other HR areas, such as the Advisory Committee on the Development of Economic Opportunity report for MERC Commission.
 - Produce AFSCME 3580-1 seniority report, as required in contract.
- Employee Service Awards
 - Track and distribute employee service awards; maintain inventory of service award pins.
 - Update employee roster for new hires and terminations.
- Consultation
 - Unlimited consultation on classification and compensation issues, including:
 - Establishment of new positions.
 - Re-classifying positions.
 - Conduct salary and compensation surveys, as needed/requested.
 - Create new classification structures, as needed/requested.
 - Interpret MERC personnel policies; recommend changes as needed.

Detailed Scope of Work: Labor Relations

- Negotiate labor agreements as needed
 - IATSE B-20
 - IATSE B-28
 - AFSCME 3580-1
 - Operating Engineers 701
- Interpret labor agreements for bargaining units noted above.
- Train MERC managers in administration of labor agreements.
- Advise managers on responding to grievances; negotiate grievance resolution.
- Ensure just cause and due process standards are applied to all disciplinary actions.
- Facilitate informal dispute resolution.
- Act as MERC's HR representative during arbitrations.
- Represent MERC at predisciplinary meetings and termination due process meetings.
- Investigate and resolve EEO complaints, wage & hour complaints, ADA issues.
- Interpret MERC personnel policies.
- Provide unlimited consultation on labor relations matters, including
 - Employment law

HUMAN RESOURCES PACKAGE

- Fair Labor Standards Act
- Equal Employment Opportunity
- Affirmative Action Plan
- Americans with Disabilities Act
- Family and Medical Leave Act
- MERC Personnel Policies
- Leave Requirements
- Substance Abuse Referral
- Discipline/Discharge
- Employee Assistance Program
- Pre-grievance problem resolution

RISK MANAGEMENT SERVICES

Package Description

Risk management provides a full range of insurance-related services including hazard identification and reduction, maintenance of cost-effective liability/property and workers' compensation insurance, claims administration, and loss control programs.

Performance Standards

- The cost of all risk management services (insurance, self-insurance, administration, but not including direct employee benefits costs) will be less than 1.5% of operating budget.
- Customer satisfaction ratings from MERC will be 90% or more "good or excellent."

Service Approach

The same as currently exists.

Detailed Scope of Work

- Provide liability and self insurance services, including:
 - Reporting
 - Investigating
 - Adjusting
 - Actuarial Review
 - Insurance certificates
- Provide workers' compensation insurance services, including:
 - Claims reporting
 - Records maintenance
 - Case tracking
 - Return to work coordination
 - Insurance purchasing
- Provide property insurance services, including:
 - Insurance purchasing
 - Claims administration
 - Property valuation
 - Business interruption calculation and insurance
 - Crime insurance
 - Employee theft insurance
- Accident prevention and loss control programs.
 - Develop, write, and implement programs
 - OSHA compliance
 - Recordkeeping
 - Safety programs

RISK MANAGEMENT SERVICES

- Ergonomics
- Incentive programs
- Fire protection
- Participation on all safety committees
- Emergency planning

EMPLOYEE BENEFITS ADMINISTRATION

Service Description

Benefits Administration coordinates the employee benefits programs, including health, dental, vision, term life, long term disability and accidental death and dismemberment insurance coverages. Other programs include administration of Metro/MERC's 401(k) program, the Public Employees Retirement System (PERS), unemployment compensation program, dependent care assistance program and the employee assistance plan.

Performance Standards

- COBRA letters to be sent to terminated employees within 14 days of termination.
- Respond to inquiries within 24 hours or less.

Service Approach

- MERC continues its current complement of benefit programs.

Detailed Scope of Work

- Provide unlimited consulting service on benefits issues.
- Coordinate a full range of employee benefit programs.
- Manage health & welfare plan enrollments for new employees.
- Manage insurance plan changes for current employees.
- Administer an annual open enrollment process for health insurance.
 - Coordinate the annual health & welfare renewal process (including COBRA rates) with Metro's agent of record.
- Prepare both quarterly and annual reports on long-term disability and unemployment compensation experience for the executive summary report.
- Conduct Metro/MERC's annual Benefits Fair.
- Manage the employee assistance program.
- Manage personal services contracts for the employee assistance program, unemployment compensation, 401(k) recordkeeper and trustee; develop RFP's as required.
- Facilitate long-term disability program with employees and provider.
- Coordinate Family Medical Leave program including pregnancy leave, parental leave, etc.
- Manage unemployment compensation program.
 - Process claims as required.
 - Compile quarterly unemployment claims report information and send to directors, managers and supervisors.
 - Represent MERC at unemployment hearings, coordinate appeals of hearings as necessary.

EMPLOYEE BENEFITS ADMINISTRATION

- Provide PERS program consultation to employees; oversee distribution of annual statements; coordinate compliance procedures with Accounting.
- Manage Section 129, Dependent Care Assistance Program.
 - Enroll eligible employees in program.
 - Coordinate allowances/reimbursement requests with Accounting.
 - Perform discrimination testing per federal requirements.
 - Complete and file Form 5500 annually with IRS.
- Manage COBRA notifications to new employees and terminated employees.
 - Continue COBRA payments with Accounting.
- Convene and staff the Joint Labor/Management Health & Welfare Committee.
- Conduct monthly benefit orientation meetings with new employees.
- Conduct quarterly new employee orientation meetings (all day meeting), including tour of Metro/MERC facilities and welcome from elected officials, department heads and union officials.
- Administer Employee 401(K) Plan.
 - Monitor contract and plan compliance.
 - Coordinate employee loan activities.
 - Provide information on plan design and utilization to employees and others.
 - Coordinate investment education meetings.
 - Staff 401(k) Employee Advisory Committee.

ACCOUNTING SERVICES PACKAGE
General Ledger, Accounts Payable, Accounts Receivable,
Payroll, Investments

Package Description

General Ledger, Accounts Payable, Accounts Receivable, and Payroll services will form the backbone of MERC's accounting system. Investment services utilize the information contained in the accounting systems to optimize investment potential and manage cash to ensure funds are available to meet MERC's cash flow needs. We are offering these services as a single package in order to promote the efficiency that we believe comes from maintaining them together with one provider.

Performance Standards

- Individual transactions will be entered within five business days of receipt.
- Checks will be cut and delivered on a schedule which preserves cash balances, increases MERC's investment earnings and ensures there are no late charges, for items received timely by Accounting Services.
- Bank and A/R reconciliations will be completed within 45 days of the end of each month.
- Monthly financial reports will be issued no later than 10:00 a.m. on the Friday preceding the third Thursday of each month.
- Payroll issued on scheduled semi-monthly pay dates (24 pay dates per fiscal year, and up to one special payroll included in the service package).
- W-2's issued no later than January 31 of each year.
- Tax and fringe payments and report made timely and accurately.
- Yield on pooled cash investments exceeds the three-month T-Bill rate by a minimum of 50 basis points.
- Sufficient liquidity for operations is maintained.

Service Approach

- MERC will continue to use current bank accounts.
- MERC will continue to manage event settlements.
- MERC will continue to do credit management.
- Metro Auditor will continue to contract for MERC's annual audit.
- Metro's CAFR will include MERC; the annual audit will be combined/consolidated.
- Metro will provide full-service transaction processing and reporting; MERC will have autonomy for all internal control responsibilities.
- MERC will continue to invest specified accounts, such as general and special deposit accounts.
- Metro will perform all investment activities for funds pooled for transaction processing.
- MERC remains part of Metro's 401(K) plan; data continues to be provided as currently.

ACCOUNTING SERVICES PACKAGE

- Metro continues to monitor compliance with FLSA, collective bargaining agreements, Metro Code, and MERC rules.
- Metro continues to manage payroll bank accounts and related investments.
- Metro continues to provide PERS administrative services.
- MERC will continue to provide source data for payroll input by scheduled due dates.
- MERC will continue to provide source data for input within 5 business days of an event.

Scope of Work: Accounts Payable

- Extensive consulting and advice on payment, expenditure and other accounting matters.
- Enter all invoices and payment authorizations into financial system for expenditure tracking and financial reporting/budget monitoring.
- Issue accounts payable checks for all items processed through Metro.
- Perform all vendor interaction related to payments of invoices and account status, including research on problem items.
- Interface of vendor information to contract/purchasing systems.
- Issuance of 1099 forms to vendors, and tape and other required reports to the IRS and State of Oregon Department of Revenue.
- Issuance and follow-up to IRS B notices.
- Employee Receivable reconciliation and follow-up.
- General ledger account reconciliation for payable related and deposit accounts.
- Provide information to auditors, officials and the public upon request.

Scope of Work: Accounts Receivable

- Extensive consulting and advice on revenue, collections, billing and other accounting matters.
- Record receivable activity for general ledger and credit reporting purposes.
- Record cash receipts to the receivable system and accounts, and to the general ledger.
- Reconcile Accounts Receivable account balances to the General Ledger and provide detail support of that balance for each month end. The reconciliation includes customer names and amounts from various activities that remain open at that time.
- Perform collection activities on NSF, VISA/Mastercard and other transactions when problems occur.
- Record all other receivable/revenue related activities related to MERC facilities.
- Perform thorough reconciliations on general ledger accounts, such as the advance ticket sales account, advanced expenses, unearned revenues, etc.

ACCOUNTING SERVICES PACKAGE

Scope of Work: General Ledger

- Extensive consulting and advice on internal control, application of Generally Accepted Accounting Principles, systems applications and other accounting matters.
- Maintain a general ledger for a minimum of seven separate sub-funds, with data interfaced from the accounts payable, accounts receivable, payroll and budget applications.
- Reconcile each of the balance sheet accounts on a regular (monthly/quarterly) basis to ensure integrity of financial data and reports and maintain control, for all accounts in use on March 31, 1999.
- Follow up and correct errors found in reconciling data.
- Prepare monthly financial reports for management information.
- Prepare the Comprehensive Annual Financial Report.
- Prepare all required audit work papers which document account balances (based in large part on reconciliations but also special requested reports).
- Maintain a fixed asset ledger that agrees to the general ledger and financial reports for Metro-owned facilities.
- Assist MERC in preparing requested ad hoc reports and provide information to the public.
- Establish procedures for decentralized input of journal entries by MERC staff.
- Prepare and post necessary journal entries and post them to the financial system to record transactions (including editing and review of the information for authorization and integrity).
- Prepare the Schedule of Expenditures of Federal Awards and assist in Single Audit related work efforts for grant funded items.

Scope of Work: Payroll Services

- Extensive consulting and advice on payroll, FLSA collective bargaining agreement, documentation and accounting matters.
- Monitor and maintain pay plans, benefit plans, withholdings, deductions for employees.
- Obtain, enter, and maintain new employee data, including but not limited to W-4's, I-9's, benefit enrollment and deduction authorization cards, Sec. 129 authorization and documentation, PERS eligibility verifications, etc. (hard copy and electronic information files).
- Enter time sheet data and uploading time clock data
- Review time sheet/clock data for compliance with FLSA and other laws, regulations, and agreements
- Reconcile data input for data integrity, review of payroll/benefit reports
- Issue paycheck procedures
- Coordinate direct deposit with bank
- Coordinate with Employee Benefits Administration

ACCOUNTING SERVICES PACKAGE

- Perform stop payments, manual checks for terminations, reissued checks, settlement checks
- Perform tax law compliance monitoring (educational assistance, taxable commuting, overtime and other payroll issues)
- Ensure compliance with, completion and payment of liens, garnishments, etc.
- Perform payroll bank account reconciliation and fees
- File federal, state, local reports (941's, unemployment, state tax return, benefit reports, quarterly and annual PERS reports)
- Process COBRA payments/receipts and notifications
- Assist with SAIF audits, union audits and the like as requested by provider
- Prepare and issue W-2 forms.
- Perform PERS administrative work (enrolling, terminating, reporting, paying, monitoring for eligibility - the 600 hour rule, etc.)

Scope of Work: Investment Services

- Extensive consulting and advice on banking relationships, banking transactions, investment and other accounting matters.
- Obtain and document bids for investments for all maturing investments and available cash balances.
- Place investments and assure Metro is in compliance with safekeeping, collateral, Metro Investment Code and ORS requirements.
- Prepare investment reports and documentation.
- Record the transactions.
- Allocate interest earnings to funds.
- Maintain GASB Statement 3 documentation and information and prepare audit workpapers supporting the reported information.
- Work with MERC to schedule drawdowns and investment portfolio structure to assure liquidity and investment return goals are met.
- Prepare agendas and conduct meetings of the Investment Advisory Board.
- Reconcile investment portfolio documentation and reports to the general ledger.
- Conduct daily cash management business with bank representatives, including monitoring bank service charges, bank services, liaison with MERC for equipment and supply needs (VISA electronic media, cash bags, deposit slips, currency counting issues and procedures, etc.) corporate VISA cards, etc.

INFORMATION MANAGEMENT SERVICES (IMS)

Service Description

IMS provides a connection to, and maintenance of, Metro's PeopleSoft information management system, a client/server based system providing MERC with direct on-line access to Metro's financial, purchasing, and human resource information.

Service Improvements

- Implementation of all basic service modules of the PeopleSoft system, including General Ledger, Accounts Receivable/Billing, Accounts Payable, Human Resources/Payroll, and Purchasing.

Performance Standards

- The PeopleSoft system will be available at least 95% of the time.
- IMS will offer PeopleSoft training opportunities for MERC staff at least twice per year.

Service Approach

- IMS will maintain the PeopleSoft system and provide required upgrades, with adequate notice to MERC.
- MERC will provide desktop computers and software packages compatible with the requirements of PeopleSoft.

Detailed Scope of Work:

- Provide MERC with a connection to Metro's PeopleSoft system, including financial, human resource, and purchasing modules.
- Ensure that the PeopleSoft system operates reliably.
- Maintain and enhance system hardware and software to meet MERC's and Metro's needs.
- Offer PeopleSoft training opportunities to MERC staff at least twice in the contract period.

FINANCIAL PLANNING SERVICES

Service Description

Financial Planning provides coordination and assistance on matters of budget, revenue generation, long-range financial planning, capital improvement program, and debt management. The budget review process will be tailored to meet MERC's business needs and ensure compliance with Metro Code and Local Budget Law; budget review will be limited to ensuring such compliance and proper integration into Metro's budget.

Performance Standards

- Advice offered will be high quality and in conformance with laws and regulations.
- Requests for assistance will receive timely responses, which will vary with the nature of the request.

Service Approach

- MERC will input its own adopted budget figures into the General Ledger and maintain budgetary compliance information.
- MERC will continue to participate in Metro's annual Capital Improvement Program.
- Metro will continue to be responsible for all matters related to issuance of debt, including bond sales, development and maintenance of debt service schedules, maintenance of the financial advisor contract, debt service payments, and calculation of arbitrage rebate requirements.
- MERC will provide position history detail for inclusion in Metro's budget, as required by law, in the same form and format as used for Metro.
- MERC will prepare any revenue and expenditure projections requested by the Metro Council; Metro will review such forecasts upon the request of MERC, the Executive Officer, or the Council, as time permits.

Detailed Scope of Work

- Ensure that the budget approved by the MERC Commission is in balance, and is included in the Executive Officer's annual Proposed Budget
- Following Council action on the MERC budget, include the MERC budget in Metro's Approved and Adopted Budget documents
- Include MERC requests in annual updates to Metro's Capital Improvement Plan
- Track and make debt service payments on MERC bonded debt
- Maintain all records related to public debt issued by Metro on behalf of MERC
- Ensure Metro/MERC compliance with all bond covenants and IRS regulations
- Coordinate financial advisor services for MERC, when required or requested
- Ensure MERC's inclusion in long-range financial planning conducted by the Metro Council, if requested by MERC

CONTRACT SERVICES

Service Description

Contract Services maintains the required master file of MERC contracts, in conjunction with Metro's contract files. Contract Services also provides contract numbering, financial system updates, and M/WBE services for MERC.

Performance Standards

- Metro Contract Services will maintain MERC's contract files so all MERC contracts will be readily accessible for review.

Service Approach

Same as currently exists.

Detailed Scope of Work

- Provide contract numbers
- Maintain contract file for all MERC contracts
- Input contracts in InfoLink
- Provide state price agreement information and contract release orders
- Participate jointly in MBE/WBE/DBE/ESB outreach activities
- Training of MERC staff on InfoLink purchasing module
- Consultation on contracting and purchasing issues

MERC SERVICES PROPOSAL

January 12, 1999

SECTION 2 EXPANDED SERVICES

INFORMATION MANAGEMENT SERVICES
Desktop Computer and Network Support

CREATIVE SERVICES

PROPERTY SERVICES

**INFORMATION MANAGEMENT SERVICES (IMS)
Desktop Computer & Network Management Support**

Service Description

The Computer and Network Services Section of IMS will provide computer support services to MERC, enabling MERC staff to utilize modern electronic communications, enjoy dedicated support for your hardware and software applications, and benefit from the shared expertise of Metro's staff of computer professionals. Desktop computer and network management are combined in one package to offer the services of a full-time Metro staff person to support MERC's basic computer needs.

Service Improvements

- Provision of a full-time, on-site computer support staff person for MERC.
- Reliable maintenance of MERC's computer network, including access to electronic mail and the Internet, desktop software and hardware upgrades, and economies of scale offered through Metro's centralized purchasing of hardware, software, and services.

Performance Standards

- Desktop computer support calls will be returned within one work day
- Hardware problems will be resolved within 5 working days
- Network will be on-line greater than 95% of the time

Cost

\$75,000

Issues To Resolve PRIOR TO Contract Period

- Determine the current and anticipated work load of the existing MERC technical staff, to best customize Metro support.
- Ensure that MERC has hardware and software systems that are fully compatible with existing Metro environment.
- Ensure that MERC has developed a small inventory of spare parts and/or has 1 to 2 computers ready to "plug & play" in the event of a failure.
- Review MERC's network architecture, backup systems, server retention policies, etc., to determine:
 - other opportunities for improvement and;
 - other technical management issues that need to be addressed, such as identification of "mission critical" business systems.
- Review the management & support of the Concentrics system and how it may/may not fit into this package.
- Assess MERC's existing Internet access architecture, and recommend appropriate strategy.

INFORMATION MANAGEMENT SERVICES (IMS)
Desktop Computer & Network Management Support

Service Approach

- MERC will purchase essential hardware & software that allows network management per the Scope of Work.
- One FTE will reside within OCC and manage the network & desktop computers.
- MERC will provide office space for the staff person dedicated to MERC support, who will report to, and be supervised by, Metro Information Management Services staff.
- MERC's budget will include funds for the contracting of additional technical services, in the event such services are required.
- MERC will cover the cost of off-site storage of files.

Detailed Scope of Work:

- Network Management:
 - implement performance management/reporting
 - document & maintain documentation on the network architecture and plan for future improvements and upgrades
 - manage the backup system(s) to ensure file restoration/recovery
 - set up a schedule for the rotation of backup tapes to secure off-site storage
 - provide virus protection
 - provide day-to-day trouble-shooting and maintenance of the network
 - plan and implement software system upgrades
 - ensure the network is adequately secured
 - manage the electronic mail system & any other system resident on the network
 - provide telecommunications support to remote locations
- Desktop Computer Support:
 - set up a "help" system for desktop computer support
 - define standard hardware and software systems, and set up a review process for changing or confirming the standards
 - define migration strategy for hardware & software
 - Install new computer equipment
 - provide hardware maintenance support

CREATIVE SERVICES

Service Description

Creative Services provides communication and design services, including graphic design, editing and desktop publishing. MERC can draw on our resources to meet a range of needs, from a postcard to a complex four-color document or web page. Projects may be handled by a single designer or a customized team including in-house and outside specialists as the project requires. Creative Services will manage your projects from start to finish, and its flexible approach to serving its customers has proven itself to be efficient, reliable and cost-effective.

Creative Services' Products

- Marketing Materials:
 - Brochures and posters
 - Advertising
 - Identity designs and logos
 - Promotional packages
 - Conference materials
 - Web pages
 - Table-top and trade show displays
- Technical Publications
 - Proposals
 - Reports
 - Maps
- Desktop Publishing
- Illustration and photo-manipulation
- Slides and overheads
- RFP's for graphic design and printing services
- Sample personal services contracts for graphic design and illustration
- Access to vendor networks
 - Printers
 - Display houses
 - Sign fabricators
 - Graphic designers
 - Service bureaus
 - M/W/DBE vendors

Creative Services has computer resources for a variety of needs:

- Seven Macintosh workstations with color monitors
- 300 dpi and 600 dpi laser printers (prints up to 11" x 17")
- 8.5" x 4" flatbed color scanner

CREATIVE SERVICES

COST

Billing will be done per project, and we would expect to submit estimates of time and cost prior to beginning work on any project. The average hourly rate for Creative Services is approximately \$40 per hour.

PROPERTY SERVICES

Service Description

Property Services retains a staff of professionals in construction and development services who have experience in all aspects of public sector construction management. We provide a broad array of services in this area, including RFP and RFQ development, preparation of construction contracts, on-site project management, analysis of alternatives for construction management methods, and others.

Service Improvement

- MERC can determine the scope and nature of services it receives from Property Services
- MERC can choose from a variety of billing methods

Performance Standards

- Successful completion of assigned projects, i.e. on time and on budget.

Cost

Property Services will offer a choice of billing methods to MERC. You can choose from the following:

- Hourly Rates
 - Professional Staff Services - \$50 per hour
 - Clerical Staff Services - \$25 per hour
 - Printing and bindery services provided direct at cost
- Negotiated Fixed Cost
 - Services will be provided on a fixed cost or not-to-exceed contract basis, with amounts determined through negotiation prior to Metro working on your project. Under this method, we will track our costs and provide a monthly statement of expenses to keep MERC apprised of time and cost incurred.

Service Approach

- MERC will utilize the services of the Property Services Division as it chooses, on a project basis.
- Metro Property Services will provide high quality service on construction, development, and facilities management to MERC in accordance with agreements negotiated.

Scope of Work

- Development and Construction Services:
 - Coordination and application processing for new development projects.
 - Consultant and contractor selection processing.
 - Consult on determination of contractor selection method.

PROPERTY SERVICES

- Draft RFQ's and RFP's.
- Draft construction management documents.
- Convene and coordinate selection panels.
- Preparation of design and construction contracts.
- On-site management of construction projects.