



City of Riverside, CA Program Based Business Intelligence (PBBi) and Fiscal Health Tool Module (FH) Software Tools and Implementation

Document Overview:

- I. Agreement Summary, and Contact Information
- II. Scope of Work + Taking Action on the Data (PBBi and FH Module)
- III. Contract Terms, Renewal Period and Signatures
- IV. Appendix A: End User License Agreement
- V. Appendix B: Value Proposition - PBBi and Fiscal Health Tool Module

I. Agreement Summary, Contact Information, and ResourceX Specialists

BASIC INFORMATION	
Organization name:	City of Riverside, California
Project Lead:	Kristie Thomas
Telephone number/email:	KTHOMAS@riversideca.gov
Start Date:	August 2020
Target Completion Date:	November 2020
Total Project Cost Year 1:	\$ 90,000
Subsequent Annual Support Cost:	\$35,000 PBBi + \$10,000 Fiscal Health Option 1 \$60,000 PBBi + \$10,000 Fiscal Health Option 2
ResourceX Implementation Specialist:	Santina Reichow, sreichow@resourcex.net
ResourceX Support:	Chris Fabian, cfabian@resourcex.net
ResourceX VP of Client Success:	Eric Keck, ekeck@resourcex.net



City of Riverside, California

Program Based Business Intelligence



DRAFT PBBi Implementation Plan and Timeline **DRAFT**



PBBi Implementation Schedule

RIVERSIDE, CALIFORNIA



Done	Est. Completion	User	Task	ResourceX Support Hours (est)
	Week of Aug 3rd	Super Users/Executive Team	Planning Session	4
	Week of Aug 10th	Super Users/Executive Team	Project Charter Discussion	4
	Week of Aug 10th	Super Users	Super User 101	4
	Aug 14th	Super Users	Users Identified	2
	Aug 21st	Super Users	Budget Uploaded	16
	Week of Aug 24th	Super Users	User Groups Assigned	2
	Week of Aug 24th	All	PBBi 101	4
	Week of Aug 31st	Super Users	Peer Review Team Selection Discussion	2
	Sept 4th	Super Users	Peer Review Teams Identified	2
	Week of Sept 7th	All	Program Inventory Training	32
	Week of Sept 14st	All	Costing Training	32
	Week of Sept 21st	All	Scoring Training	32
	Week of Sept 28th	All	Cost Allocations Complete	16
	Week of Sept 28th	All	Program Scoring Complete	16
	Week of Oct 5th	Super/Peer Review Team	Peer Review Training	24
	October 23rd	Super/Peer Review Team	Peer Review Complete	24
	Week of Oct 26th	Super Users	Final Review Training	16
	Week of Nov 2nd	All	Program Insight Workshop	40
	Early Jan	Super Users/Executive Team	Post-implementation Check-in	4
				275 hours of support

II. Scope of Work - PBBi

Phase	Task	Description	Milestone	Estimated Hours	Deliverable
Project Planning	Planning Session	Meeting between ResourceX and Riverside Project Management Team. Includes executive team and Super Users. Discuss project schedule, project people, and project purpose.	Project Kick Off Meeting	4	Finalized project schedule. Introduction of Project Charter.
Project Planning	Project Charter	Meeting between ResourceX and Riverside Project Management Team. Includes executive team and Super Users. Focus is the review of the Project Charter	Project Charter Completion	4	Finalization of Project Charter.
Project Launch	Super User 101 Training	ResourceX Project Manager will train all City of Riverside identified Super Users on their role and PBBi process	Super Users online	4	Super User access to PBBi tools.
Project Logistics	Identification of Users	The City of Riverside will identify all users who will require access to the tools and provide their names and emails to ResourceX Project Manager	Department Users online	2	Department users will be provisioned in the PBBi tools.
Project Logistics	Budget Upload	The City of Riverside will compile budgetary data for inclusion in the tool. The ResourceX Project Manager will format and upload into the PBBi tools.	Budget data uploaded	16	Riverside budget data is in the PBBi tools.

Project Logistics	Define User Groups	The City of Riverside will work with ResourceX Project Manager to define the topology of the user groups in the PBBi tools	User Groups Created	2	PBBi tool now ready for Department User interaction.
Project Launch	PBBi 101 Training	The City of Riverside will be trained in the basics of PBBi by the ResourceX Project Manager and project team.	All users trained through PBBi 101	4	All Riverisde stakeholders trained in PBBi
Project Launch	Peer Review Selection Training	The City of Riverside Super Users and Project Management Team will be trained in the why and how of peer review	Peer Review Selection	2	Riverside Project Management Team will be trained in Peer Review
Project Logistics	Peer Review Team Finalization	The City of Riverside will provide the ResourceX Project Manager with the Peer Review team list.	Peer Review team finalized	2	Riverside Peer Review team is finalized
Program Inventory	Program Inventory Training	Team ResourceX will train all Riverside users in the creation of their program inventory. Riverside users will also be taught and guided through the creation of insights from the programs.	Program Inventory creation	32	Program Inventory created. Rudimentary insights identified from programs.
Program Costing	Program Costing Training	Team ResourceX will train all Riverside users in the allocation of costs to their programs. Riverside users will also be taught and guided through the creation of insights from the costs.	Program Costing completed	32	Costs allocated to all programs. Insights identified from costing. PresentPBB site created.

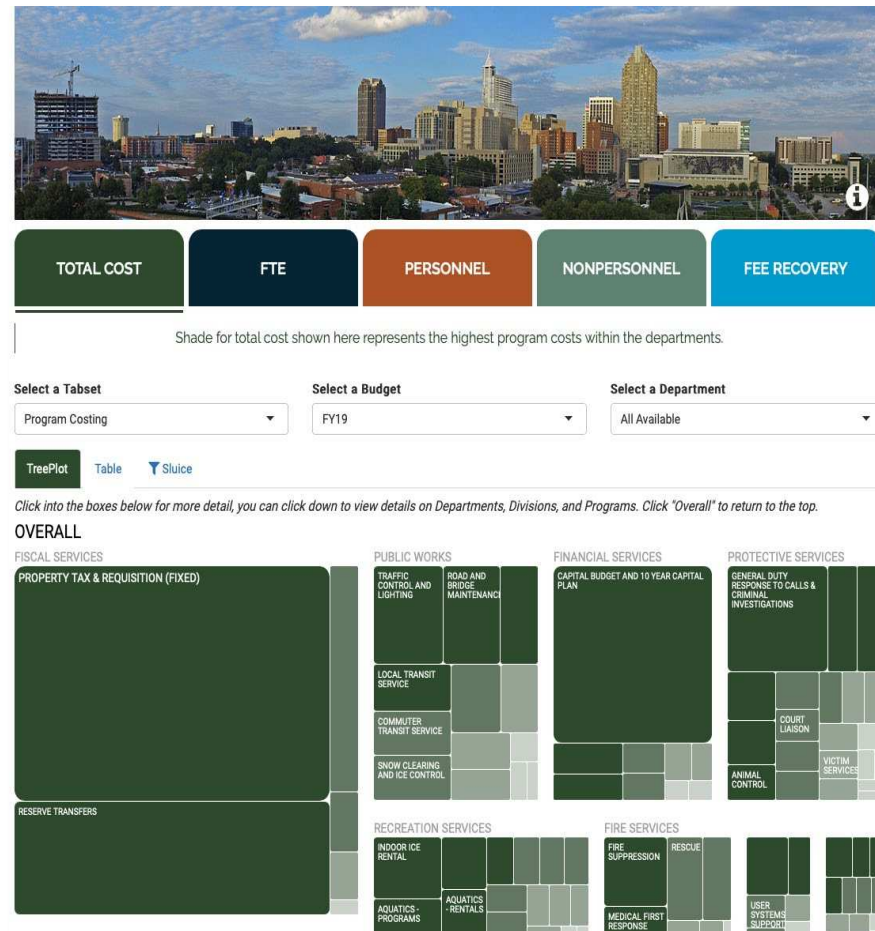
Project Logistics	Cost Allocation Completion	ResourceX Project Manager to workwith Super Users to clean up cost allocations	Program Costing Completed	16	Cost allocation cleanup and PresentPBB site enhanced.
Program Scoring	Program Scoring Training	Team ResourceX will train all Riverside users in the creation of their program scoring on both results and Basic Program Attributes. Riverside users will also be taught and guided through the creation of insights from the scoring.	Program Scoring completed	32	Programs scored according to results and BPAs. Insights identified from scoring. PresentPBB site enhanced with completed program scores.
Project Logistics	Scoring Completion	ResourceX Project Manager to work with Riverside Super Users and within the tools to clean up scoring	Program Scoring completed	16	Department Scoring cleanup and PresentPBB site enhanced.
Peer Review	Peer Review Training	ResourceX Project Manager to train all Riverside Super Users and Peer Review Team members in peer review process	Peer Review completed	24	Peer review training delivered
Project Logistics	Peer Review Completion	ResourceX Project Manager to work with Riverside Project Management Team on clean up, finalization and upload of peer reviewed scores into the tools	Peer Review completed	24	Department and Peer Review scores uploaded into tools and PresentPBB site is finalized.
Project Logistics	Final Review Training	ResourceX Project Manager will provide training to all Riverside Users in a retrospective format on what was accomplished and what is to come	Final PresentPBB site unveiled	16	Final PresentPBB site unveiled to all Riverside users.

Program Insights	Program Insights Workshop	Chris Fabian and the ResourceX Team will provide all Riverside Users with a workshop on taking action on the insights gleaned throughout the implementation	Insights to action training delivered utilizing the PBBi Blue Print and best practices for action	40	Knowledge on how to take action on insights.
Project Logistics	Post Implementation Check-in	ResourceX Project Manager and VP of Client Success will prepare and meet with the Riverside Project Management Team to discuss progress, answer any questions, and discuss next steps	Project wrap up meeting	4	Assurance of scope completion.

Software and Support:

The “**Present Site**” is your final deliverable and may be accessed behind a password for internal use or open to the public via a link from your website. An example for your review is accessible here at the following link:

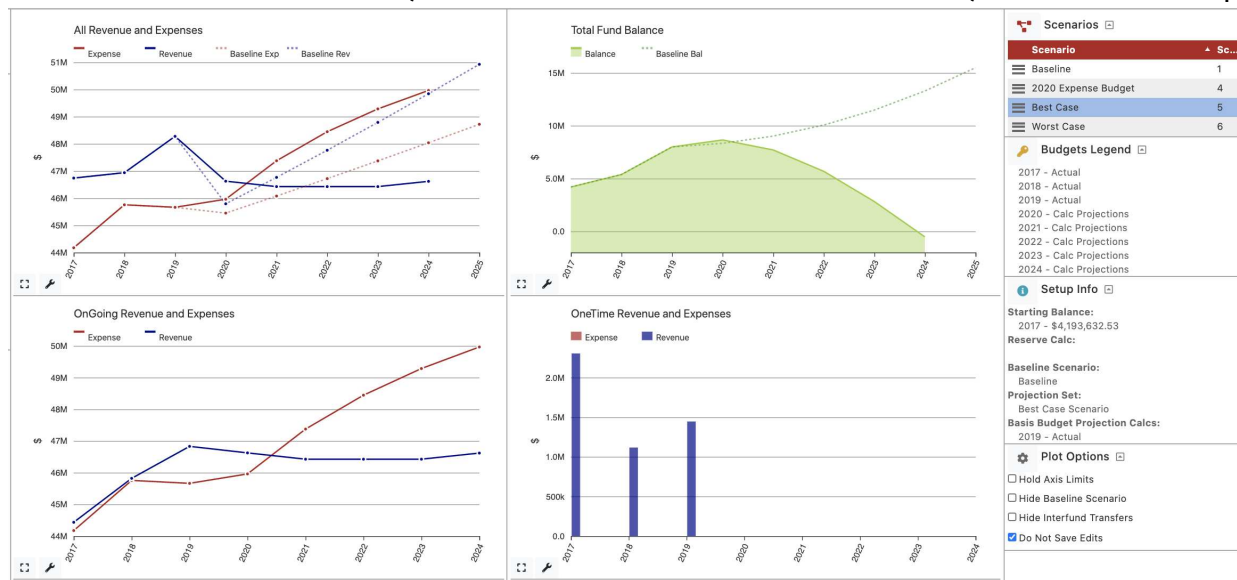
<https://openpbdata.net/ResourceXProgramCosting/>



Scope of Work – Fiscal Health Tool Module (FH)

Development of the “*Fiscal Health Tool*”

This graphic is a depiction of the “*Fiscal Health Tool*” created by **ResourceX**, to help illustrate how an organization utilizes a simple model to communicate its fiscal “condition,” monitor its **Fiscal Health** and do interactive, real-time scenario planning and forecasting with decision makers.



The screen capture above is from the web-based “Fiscal Health Tool”

The implementation process to develop the web-based “**Fiscal Health Tool**” is described in further detail on the pages that follow.

Initial Data Collection

ResourceX will provide a template and instruction for data entry into the Fiscal Health Tool. Your organization will have the ability and access to update and maintain your financial data within the Fiscal Health Tool

Ongoing versus One-time Analysis

ResourceX will provide example data, recommended best practices and consultation in order to differentiate between “**ongoing**” and “**one-time**” sources and uses. Your organization will have the ability and access to update and maintain your “ongoing” and “one-time” designations within the Fiscal Health Tool.

- **Revenue Analysis:** For each of the funds being modeled, the total sources of revenue to the organization will be differentiated between “**ongoing**” sources – those that are reliable or predictable sources of income - and “**one-time**” sources – those that can only be “spent” once. Examples of “**ongoing**” revenue streams include the “*reliable*” component of sales tax revenues, franchise fees, utility rates and charges based on system demand, and perhaps a conservative estimate for interest income revenues associated with reserved fund balances. Examples of “**one-time**” sources include fund balance (*reserved or unreserved*), grants that are one-time in nature or have a certain “expiration” date, fees for a specific projects or initiative, and potentially volatile interest income.
- **Expenditure Analysis:** For each of the funds being modeled, total expenditures will also be differentiated between “**ongoing**” costs - those expenses for costs related to the ongoing operations of the organization – and those uses that are more “**one-time**” in nature. Examples of “**ongoing**” costs include personnel (*salary and benefits*), supplies, energy, regular maintenance and other daily expenditures association with the day-to-day “running” of the organization. Examples of those expenditures that are more “**one-time**” in nature include capital project expenditures, other projects or initiatives undertaken once or on a less than annual basis, emergency / contingency initiatives, or other non-recurring expenses.

The graphic below illustrates the process of organizing revenues and expenses into either “Ongoing” or “One-time” (or both) categories in the budget data template

Exp	Acct	AcctCo	AcctTyp	Fun	Category	Actual-2016-OnGoing	Actual-2016-OneTime	Actual-2017-OnGoing	Actual-2017-OneTime
	11015		StartingBala	110	starting balance	x	0	0	0
	11016 01		Expense	110	SALARIES AND WAGES	x	0	x	0
	11017 02		Expense	110	RETIREMENT	x	0	x	0
	11018 03		Expense	110	HEALTH INSURANCE	x	0	x	0
	11019 05		Expense	110	OTHER BENEFITS	x	0	x	0
	11020 06		Expense	110	RENT/LEASE	x	0	x	0
	11021 07		Expense	110	REPAIR AND MAINTENAI	x	0	x	0
	11022 08		Expense	110	ATA/TRANSIT CONTRACT	x	0	x	0
	11023 09		Expense	110	OTHER PROFESSIONAL S	x	0	x	0
	11024 10		Expense	110	HOUSING OF INMATES/J	x	0	x	0
	11025 11		Expense	110	INMATE MEDICAL CONTI	x	0	x	0
	11026 12		Expense	110	CLEARANCE AND DEMOI	x	0	x	0
	11027 13		Expense	110	RESIDENTIAL WASTE CH	x	0	x	0
	11028 14		Expense	110	OTHER CONTRACTUAL S	x	0	x	0
	11029 15		Expense	110	OTHER SERVICES	x	0	x	0

Financial Forecasting Support

The maximum value of the **“Fiscal Health Tool”** is the ability to visually display a variety of historical, projected and “*what-if*” data, in an analytical format - a “dashboard” approach. This will provide a way for your organization to assess and explore future scenarios and initiatives in an interactive and “real-time” environment. ResourceX will schedule a training to introduce and illustrate the functionality of the Fiscal Health Tool. Further training is available upon request through the Fiscal Health channel on our communication platform, Slack.

Fiscal Health is a concept promoted and highlighted by such associations as the Government Finance Officers Association (GFOA), ICMA and the Alliance for Innovation. With the **“Fiscal Health Tool”** you will have the capacity to:

- Communicate your **“picture of fiscal health”** to Elected Officials, administration, staff, bargaining units, residents and other community stakeholders.
- Graphically depict the alignment of **“one-time”** and **“ongoing”** funding sources with the **“one-time”** and **“ongoing”** expenditure needs of the organization.
- Effectively monitor your **Fiscal Health** position to ensure that decisions made do not impact the level of financial health achieved.
- Access the impact of capital decisions on your financial position, including the evaluation of the impacts of **“ongoing”** operational costs associated with those **“one-time”** expenditures.
- Model financial forecasts and document the assumptions on which they are based.
- Engage in interactive and **“real-time”** scenario planning.
- Demonstrate the impact of **“today’s”** decisions on your five to ten year forecasts

Slack Support

- Ongoing support will be available through the #fiscal-health channel on Slack. Support requests, development concerns and requests for additional trainings will be managed through this communication platform.

ResourceX Obligations

Fiscal Health Setup
ResourceX will: <ul style="list-style-type: none">A. Discuss the project scope and overall planB. Assist with the creation of the project charterC. Upload budget data into the online toolsD. Provision users in the online toolsE. Within 12 months of the signature date of this Agreement, implement single sign-on functionality for Client users.
Ongoing Management
ResourceX will: <ul style="list-style-type: none">A. Initial data collectionB. Ongoing versus one-time analysisC. Initial tool developmentD. Financial forecasting workshopE. Final tool refinement

Client Requirements

Fiscal Health Setup

Client will:

- A. Complete the ResourceX Project Charter
- B. Provide budget data
- C. Provide a list of employees that will need access to the online tools
- D. Commit to adhering to mutually agreed upon implementation schedule

Communications**Client agrees:**

- A. Initial communication will be via email or Xpress Support through Slack , with phone communication initiated only in the event of nonresponsiveness or critical event, such as situations preventing the use of the software.

If Client desires to speak by phone, Client will email ResourceX stating their desire to speak telephonically and to request an amicable time to do so. ResourceX typically responds to email within 24 hours excluding weekends and standard public holidays.

III. Contract Terms, Setup, Renewal Period and Signatures

The following table outlines the costs, deliverables and timeline.

COST SUMMARY

Initial Invoice Amount – Software plus one-time set-up for PBBi and the Fiscal Health Tool Module (FH) No limitation on user licenses for PBBi	\$90,000
Standard Software Renewal Rate – 3 year renewal pricing	\$35,000 + \$10,000 for FH Tool
Standard Support Hours – implementation support outlined in Section III	Up to 50 hours

Optional Software Renewal Rate – 3 year renewal pricing which includes \$10,000 for Fiscal Health Tool	\$60,000 + \$10,000 for FH Tool
Optional Support Hours – implementation outlined in Section III	200 hours
Fiscal Health Tool Module Support Hours	5 hours per month
Initial Invoice Date – Due net 30 Days	August 1st, 2020
Renewal Invoice Amount	Option 1: \$45,000 total Option 2: \$70,000 total
Renewal Invoice Dates – Due net 30 Days	July 1 st , 2021 July 1 st 2022 July 1 st 2023

Initial Setup & Ongoing Management: Initial implementation can be divided into two parts, the setup and ongoing management. Both efforts are detailed below.

ResourceX Obligations

As part of the setup, ResourceX will:

- A. Discussing the project scope and overall plan;
- B. Assisting with the creation of the project charter ;
- C. Uploading annual budget and personnel data to the online tools;
- D. Provisioning users in the online tools;
- E. Discussing community results and definitions.

As part of ongoing management, ResourceX will:

- A. Creating program inventories;
- B. Allocating costs to programs;
- C. Validating costs;
- D. Training staff on how to utilize the analysis tools.
- E. Within 12 months of the signature date of this Agreement, implement single sign-on functionality for Client users.

Client Requirements

Client agrees to the following terms for delivery and review of materials.

- A. Client shall complete the ResourceX Project Charter.
- B. Client shall provide budget and personnel data for the implemented fiscal year.

- C. Client shall provide a list of employees that will need access to the online tools.
- D. Client shall commit to adhering to mutually agreed upon implementation schedule.

Communications

Client agrees the communication is to be via email or Xpress support through Slack. ResourceX typically responds to email within 24 hours excluding weekends and standard public holidays. If the Client wishes to speak on the phone or arrange a virtual meeting, the Client agrees to send an email to ResourceX stating that you would like to schedule a phone call or virtual meeting and ResourceX will work with the Client to arrange a time. Critical situations preventing the use of the software by all Client users are also recommended to occur through email or Xpress support through Slack; however the Client may contact ResourceX by phone if desired, if a single designee is selected so as not to duplicate incident reports.

Annual Renewal Terms PBBi and FH: The standard annual renewal rate of \$35,000 (depicted as option 1) will be set for 3 years. Each year an invoice will be sent July 1st for continued access to the Online Priority Based Budgeting tools. Option 2 provides for the option for Riverside to obtain 200 hours of support. The Fiscal Health renewal will afford the client with an additional 5 hours of support each month.

1. **Client Success Meeting:** Each renewal year, you will get an annual “Customer Success Meeting” during which we will talk about what’s working really well, where your organization needs improvement, and most importantly your goals and aspirations for the renewal year ahead, so that we may scope to your success.
2. **Project Charter:** Your renewal year goals and the ResourceX scope to support you will be documented in an annual Project Charter – a simple tool to clarify the customized and specific goals and deliverables we are striving to achieve together.
3. **Standard Support PBBi:** Without any changes to this agreement, you are entitled to up to 50 hours of support from ResourceX and ongoing annual access to the software you’ve subscribed to. This standard supply of support hours will be used to deliver on the agreed upon scope of work that we will create together during your Client Success meeting. Note, these hours are good only for your renewal year (they do not roll over).
4. **Option 2 Support PBBi:** Without changes to this agreement, the client would be entitled to 200 hours of support hours that would be used to help deliver upon the scope of work agreed upon in your Client Success meeting. These hours do not roll over from one renewal year to the next if unused.
5. **Additional Support:** All support outside the scope of this Agreement that are requested by the Client and which ResourceX agrees to perform will be billed at a rate of [\$200] per hour. Client will be notified and must approve in writing (email is sufficient) additional services before they will be performed, although ResourceX may not necessarily be able to inform Client in advance of the total cost of such additional services. Client will also be given opportunity to purchase additional services at package rates, when deemed appropriate by ResourceX.

Payment Terms

Installment payments shall correspond to project milestones as follows:

1. 25% upon completion of Data Collection: Line Item Budget Review, Initial Data Collection
2. 25% upon completion of Program Inventory and Costing: Program Inventory, Cost-Allocation, with On-Site Training
3. 25% upon completion of Take Action with Insight: Program Review Meetings
4. 25% upon completion of Apply Insight to Take Action for 2022 Budget with PBB Blue Print

Option 1: \$35,000

Software Access

- 1-year annual subscription to OnlinePBB, including Program Inventory, Program Costing, Program Scoring features for data creation, as well as PresentPBB, Resource Alignment and Reports for data analysis and insights
- Unlimited accounts (for City staff and elected officials, not including citizens)

Support Services

- 50-hours of support services,
- Customer success meeting – each year, ResourceX staff will conduct an annual “looking-ahead” meeting to review your objectives and plan a scope around your support service hours and how best to deploy them
- “Xpress Support” access (online Slack portal for Super User questions)



Option 2: \$60,000

Software Access

- 1-year annual subscription to OnlinePBB, including Program Inventory, Program Costing, Program Scoring features for data creation, as well as PresentPBB, Resource Alignment and Reports for data analysis and insights
- Unlimited accounts (for City staff and elected officials, not including citizens)

Support Services

- 200-hours of support services,
- Customer success meeting – each year, ResourceX staff will conduct an annual “looking-ahead” meeting to review your objectives and plan a scope around your support service hours and how best to deploy them
- “Xpress Support” access (online Slack portal for Super User questions)



CONTRACT TERMS

1. **Standard of Performance.** While performing the Services, Consultant (ResourceX) shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area, and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.
2. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services.
3. **Assignment and Subcontracting.** Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in the Insurance section of the Contract Terms. The Consultant acknowledges and agrees that the City of Riverside ("City") is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.
4. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Consultant acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees, subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.
5. **Indemnification:**
 - 5.1. **Defense Obligation For Other Than Design Professional Liability.** Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and

experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

5.2. Indemnity For Other Than Design Professional Liability. Except as to the sole negligence or willful misconduct of the City, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

6. Insurance:

6.1. General Provisions. Prior to the City's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

6.1.1. Limitations. These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

6.1.2. Ratings. Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

6.1.3. Cancellation. The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

6.1.4. Adequacy. The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required

insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

6.2. Commercial General Liability Insurance. Prior to City's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the City evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

6.2.1. The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the City and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

6.3. Errors and Omissions Insurance. Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the City from claims resulting from the Consultant's activities.

6.4. Subcontractors' Insurance. Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability. Upon City's request, Consultant shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

- 6.5. **Technology Professional Liability.** Prior to City's execution of this Agreement, Consultant shall obtain and maintain during the term of this Agreement technology errors and omissions professional liability insurance with limits not less than \$1,000,000 per occurrence or claim, \$1,000,000 aggregate, to protect the City from claims resulting from the Consultant's professional services as described specifically herein. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
- 6.6. **Cyber Liability Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain and maintain during the term of this Agreement cyber liability insurance with limits not less than \$1,000,000 per occurrence or claim, \$1,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
7. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.
8. **City's Right to Employ Other Consultants.** City reserves the right to employ other Consultants in connection with the Project. If the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Consultant.
9. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals performing under this Agreement, represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals performing under this Agreement have any real property, business interests, or income interests that will be affected by this project or, alternatively, that Consultant will file with the City an affidavit disclosing any such interest.
10. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Consultant only for

the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

11. **General Compliance With Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.
12. **Waiver.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.
13. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and City.
14. **Termination.** City, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the City's rights under Sections 15 and 26 hereof. In ascertaining the work actually rendered through the termination date, City shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to City.

Other than as stated below, City shall give Consultant thirty (30) days' prior written notice prior to termination.

City may terminate this Agreement upon fifteen (15) days' written notice to Consultant, in the event:

- a. Consultant substantially fails to perform or materially breaches the Agreement; or
- b. City decides to abandon or postpone the Project.

Consultant may terminate this Agreement upon fifteen (15) days' written notice to City, in the event:

a. City fails to provide remuneration for work agreed upon and provided within the terms stipulated in the Agreement

15. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs.
16. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.
17. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.
18. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.
19. **Interpretation.** City and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

19.1. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

19.2. This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

19.3. In the event of a conflict between the Contract Terms section of this Agreement and the body of the Agreement and Appendices hereto, the Contract Terms contained in Section III shall be controlling.

This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

THIS AGREEMENT and APPENDICES is made and effective as of *August 4, 2020*, between *City of Riverside, CA and Resource Exploration, LLC*. The parties agree as follows:

IN WITNESS WHEREOF, City and Consultant have caused this Agreement to be duly executed the day and year first above written.

Resource Exploration, LLC, a Colorado corporation

By: Chris Fabian

Chris Fabian [Printed Name]

CEO [Title]

By: Michael Seman

-
-
Michael Seman (Printed Name)

-
-
Company Treasurer, and Co-founder (Title)

CITY OF RIVERSIDE, a California charter city and municipal corporation a California corporation

By: _____
City Manager

Attest: _____
City Clerk

Certified as to Availability of Funds:

By:  _____
Finance Director

Approved as to Form:

By:  20-0572
Senior Deputy City Attorney

This proposal will remain valid for 90 days from signature date.

Appendix A

End User License Agreement

IV. Appendix A: End User License Agreement

ONLINEPBB® LICENSE AND HOSTING AGREEMENT

IMPORTANT - BY UTILIZING ONLINEPBB SOFTWARE, YOU ARE ACCEPTING THE TERMS AND CONDITIONS OF THIS AGREEMENT. PLEASE READ THE FOLLOWING CAREFULLY BEFORE PROCEEDING.

This Agreement is a legal agreement between you (City of Riverside, CA) and Resource Exploration, LLC, the licensor of OnlinePBB software and associated on-line documentation that you access using this internet website (together referred in this Agreement as "OnlinePBB").

1. OnlinePBB License. Subject to the terms of this Agreement, Resource Exploration, LLC, grants you a non-exclusive, non-transferable license to access OnlinePBB remotely via browser on the server used by Resource Exploration, LLC, to operate this website (the "Server") solely for purposes of creating and maintaining on the Server any interactive website developed using this website and with respect to which all required fees payable under this Agreement have been paid by you (each, a "Website").

2. Restrictions. You may not download or otherwise copy all or any portion of OnlinePBB software. You may not sell, rent, license, lend, transfer or otherwise grant access to OnlinePBB to any other person or entity except as contemplated by the license granted to you above. You must comply with all applicable laws and regulations in your use of OnlinePBB. You may not modify, translate, reverse engineer, decompile disassemble or otherwise attempt to obtain or derive source code from all or any portion of OnlinePBB.

3. Proprietary Rights. Resource Exploration, LLC and its supplier's reserve all rights to OnlinePBB not expressly granted in this Agreement. Resource Exploration, LLC and its suppliers own OnlinePBB and all associated patent, copyright, trade secrets and other proprietary rights in OnlinePBB. No title or ownership of OnlinePBB or any associated proprietary rights are transferred to you or any other person by this Agreement.

4. Disclosure and Ownership of Data. The materials used by Resource Exploration, LLC for work performed under this Agreement are specific and unique methods of fiscal management and budget prioritization. As such, these materials are protected by copyright. You agree and understand that these materials and all methods, models and applications resulting from the use of said materials are the sole, complete and absolute property of Resource Exploration, LLC. All legal rights and protections afforded by copyright and Resource Exploration, LLC's ownership of all the underlying intellectual property associated with these fiscal management and budget prioritization materials are retained and reserved

exclusively by Resource Exploration, LLC, reserving all legal rights and remedies incident to its ownership of these materials. It is understood that your organization may utilize these methods, models and applications for their own specific use but are not free to share these methods, models and applications with other individuals or entities. Client retains ownership of all Client-specific data produced by this venture, including any and all deliverables described in this Agreement or produced in conjunction with this Agreement. Client agrees not to share proprietary templates, model structures, or other copyrighted materials with other individuals or entities. ResourceX agrees not to use, share, or publish any Client-specific data without the written authorization of the Client. Nothing herein precludes disclosures required by law.

5. U.S. Government Restricted Rights. If OnlinePBB is accessed or used by any agency or other part of the U.S. Government, the U.S. Government acknowledges that (i) OnlinePBB and accompanying materials constitute "commercial computer software" or "commercial computer software documentation" for purposes of 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-3, as applicable, and (ii) the U.S. Government's rights relating to OnlinePBB and accompanying materials are limited to those specifically granted in this Agreement.

6. Data - Data Security. The OnlinePBB web-application provides data security via SSL encryption, and is accessed via https - this protects and secures the client's data from outside the organization, protecting the client and RESOURCEX. Additionally, Client data is protected by way of individual user accounts and user passwords, and varying levels of permission and access, to give the client control over data accessibility.

7. Data - Data Storage. The OnlinePBB web-application utilizes Amazon Web Services (AWS) for best-in-class data storage. Storage of Client's data will reside solely in the United States.

8. Data - Data Protection/backups. Resource Exploration performs complete back-ups of all OnlinePBB data at a frequency of once per night. Storage of Client's data backups will reside solely in the United States.

9. Service Availability - Disaster recovery/business continuity. To support the organization in the case of disaster, Resource Exploration performs complete back-ups of all OnlinePBB data at a frequency of once per night. The organization may also download their own data files on a more frequent basis, in order to perform complete data restoration - restoring from any point in time, from previously saved data, completely in control of the City. Data files are stored in DropBox, as well as Resource Exploration headquarters to provide additional redundancy.

10. Service Levels - System Availability / performance. The OnlinePBB web-

application is provided and available 24 hours per day, 7 days per week. Resource Exploration reserves the right to perform regularly scheduled updates and maintenance, during which time the organization may experience brief periods of downtime for server restarts to make updates available. Scheduled updates take place after 6pm EST Monday-Friday, and the organization will be made aware ahead of schedule, to the greatest extent possible. It should be noted that Resource Exploration reserves the right to restart the web server at any time, but will provide the organization as much advanced awareness as possible. Resource Exploration uses all reasonable business means to ensure the application is available for the organization's use.

11. Insurance - Vendor insurance and liability. Resource Exploration agrees to procure and maintain in force during the term of this Agreement, at its own cost, cyber insurance coverage.

12. Independent Contractors. The parties agree that Resource Exploration, LLC, is an independent contractor as that term is commonly used and Resource Exploration, LLC's employees are not and shall not be considered subcontractors or employees of the City and has no authority to bind the City in any manner. Contractor shall be solely responsible for the withholding and reporting of all federal, state, and local income and employment taxes. Contractor acknowledges that it is not insured in any manner through the City for any bodily injury, personal injury, or property loss whatsoever.

13. Limitation of Liability. Except for indemnification and those matters required to be insured pursuant to this Addendum, neither party shall be liable to the other, or any of their respective agents, representatives, or employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (with the exception of gross negligence or willful misconduct including negligence) or otherwise.

14. Liability Insurance. Resource Exploration, LLC, shall obtain and maintain in full force and effect during the entire term of this agreement a policy of comprehensive general liability insurance, including an acknowledgement of and coverage for the indemnity provision of this Agreement, with limits of liability of not less than \$1 million and workers disability compensation insurance in compliance with California's statutory limits, and shall provide a certificate of insurance to the City naming the City as a certificate holder, which certificate shall provide that the City shall receive at least 30 days prior written notice of cancellation or nonrenewal of such insurance. Said insurance shall cover any claims arising out of, occurring during, or accruing during the term of this agreement and shall survive the term and termination of this agreement and shall be primary without right of contribution against the City.

15. Non-Assignment. The parties agree that there shall be no authority on the part of Resource Exploration, LLC, to subcontract, assign, or otherwise dispose of any portion of the services to be performed herein without the prior written approval of the City. In the event that

the City approves a subcontract, assignment, or disposition, Resource Exploration, LLC, solely shall be responsible for managing, directing and paying the subcontractors or assignees, and the City shall have no obligations whatsoever toward said subcontractors or assignees. Consent to subcontract, assign, or otherwise dispose of any portion of this Agreement shall not be construed to relieve Contractor of any responsibility for the fulfillment of this Agreement.

16. Remedies. The Parties acknowledge that the Proprietary Information exchanged is valuable and unique and that disclosure in breach of this Agreement will result in irreparable injury to the adversely affected Party, for which monetary damages, on their own, would be inadequate. Accordingly, the Parties agree the adversely affected Party shall have the right to seek an immediate injunction enjoining any such breach or threatened breach of the Agreement.

17. Handling of Disputes. The Parties agree that any dispute regarding this Agreement, and any claim made by Client for return of monies paid to ResourceX, shall be handled in accordance with applicable State and Federal laws.

18. Severability. If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, the remaining provisions of this Agreement shall remain in full force and effect.

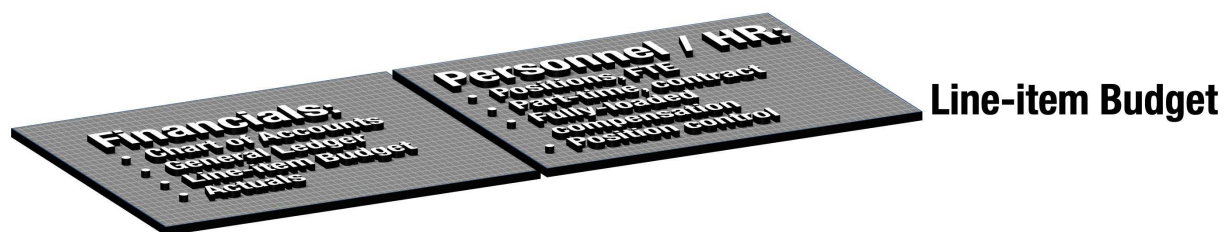
19. Completeness of Agreement. This Agreement along with the Scope, Terms and Conditions found in Sections I, II, and III above constitutes the entire agreement between your organization and Resource Exploration regarding OnlinePBB, the hosting of the Website and your use of the website. Resource Exploration will not be bound by any provision in any purchase order, receipt, acceptance, confirmation, correspondence or otherwise unless Resource Exploration specifically agrees in writing to such provision.

Appendix B

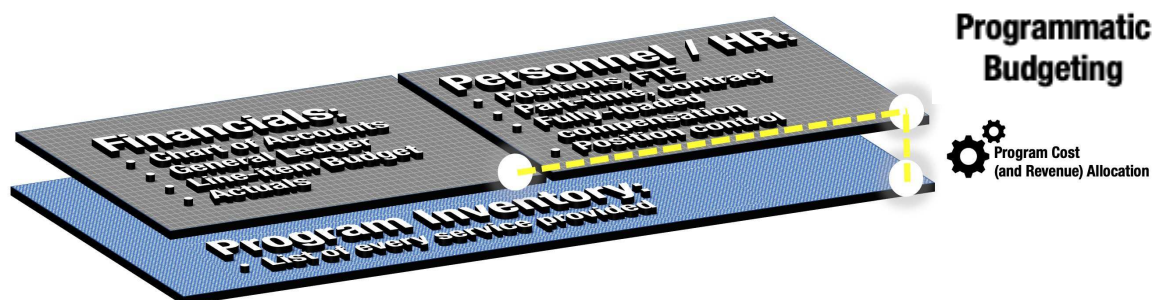
Value Proposition – PBBi and Fiscal Health Tool Module

VI. Appendix B: PBBi Value Proposition

The **Line-item Budget** is organized to satisfy regulatory standards, create effective budget monitoring and control mechanisms, provide transparency and accountability as a best practice in budgeting. However, it does not provide adequate insights into the costs of providing specific programs, nor arm us with the business analytics needed to open up resource re-allocation and revenue generation opportunities.



To get to the answer of questions such as "*can we do this program more efficiently,*" and "*are we the best source to provide this service,*" or "*are we charging appropriately to recover our costs for fee-driven programs*" requires us to know *what programs do we offer*, how much do they cost, and how much are we charging. Leveraging your line-item budget data, we can create an additional layer of data (a "**Program Inventory**") to describe the programs offered by your organization, and apply a process technique (**Cost-allocation** and Revenue-allocation) to produce a fundamentally transformative data-set known as a **Programmatic Budget (aka Program Based Business Intelligence/PBBi)**.



According to the Government Finance Officers Association (GFOA), "Program Budgeting is an underlying assumption to many of GFOA's budgeting best practices, and being able to connect costs and outcomes associated with specific services is critical to communicating value to citizens." A program budget shows exactly what the government does, how much it costs, and what the tradeoffs are.

Exhibit I: The Benefits of Program Budgeting

Transparency. Creates true transparency by showing what the government does and how much it costs in a way that is meaningful to citizens.

Trade-offs. Provides a language for meaningful discussions about making budgeting trade-offs among services.

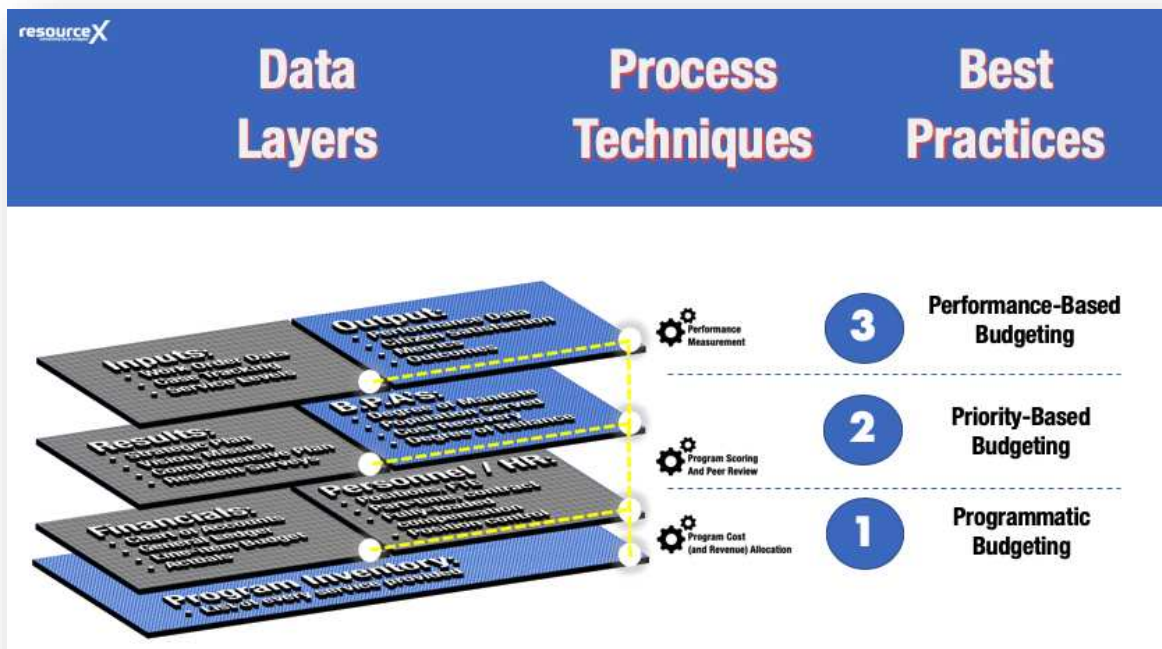
Sourcing. Allows more meaningful comparisons to other service providers when considering options such as out-sourcing or shared services.

Workforce Planning. Shows how the workforce is associated with programs, which allows governments to better integrate succession planning into the budget process.

Performance. Clarifies the context of programs better than broader categories like departments and divisions by using performance and measures.

With GFOA's Shayne Kavanagh, ResourceX co-founder Chris Fabian established the best practices in creating an effective Program Inventory, as well as executing a consistent and accurate approach to cost (and revenue) allocation to efficiently implement a Programmatic Budgeting approach. And with the key business intelligence that a Program Budget data set creates, an effective path to "taking action on the data" via trade-off decisions, workforce planning, sourcing and other crucial conversations, became the subject of the Government Finance Review's journal publication on the topic: [downloadable here](#).

Just as Programmatic Budgeting builds on and makes use of your line-item data to create more actionable insights at the program level; your organization may consider layering additional

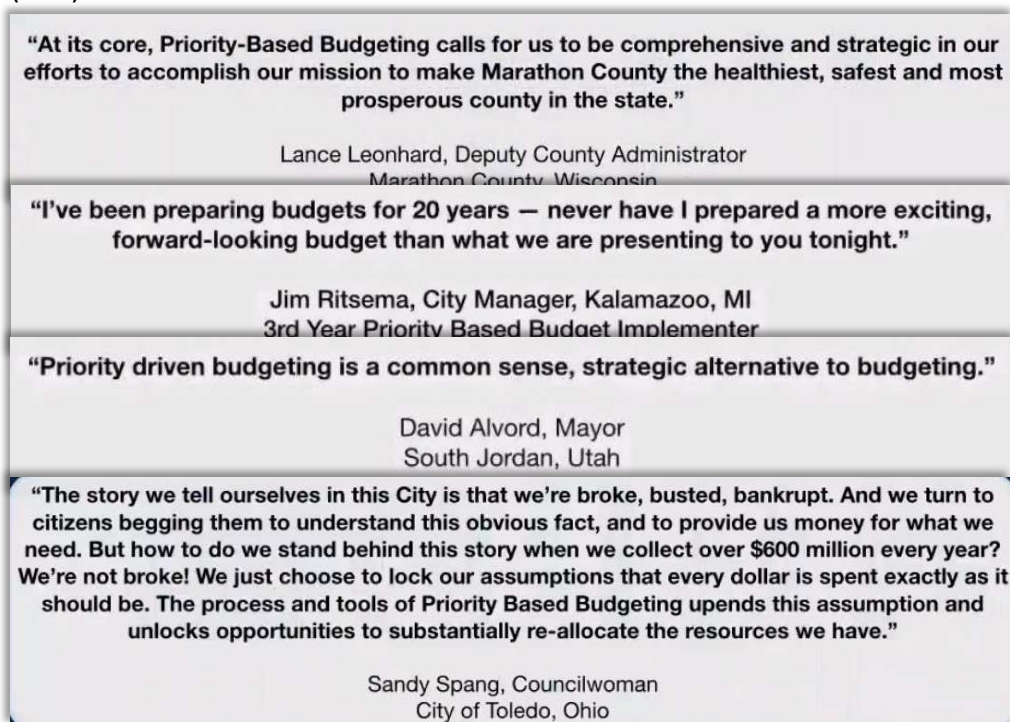


data in future years to embark upon Priority-Based Budgeting and even Performance-Based Budgeting.

Program Based Business Intelligence (PBBi) is a foundational data set that unlocks insights pertaining to program efficiency, service levels, and cost recovery opportunities, and that's why it's a Best Practice. In future years, you will be well equipped to consider additional Best Practices:

- Layering strategic planning data, outcomes, mission and vision, and connecting them via a Program Scoring process, your organization can unlock the insights of program relevancy achieved through **Priority Based Budgeting**.
- Layering on metrics, input measures and outcome assessments (including citizen satisfaction surveys), and connecting them via measurement assessment, your organization can unlock the insights of program performance achieved through **Performance Based Budgeting**.

ResourceX is a leader in PBBi implementation and analysis, Priority Based Budgeting and Performance Based Budgeting with over 300 implementations across the United States and Canada. Our work is identified as Best Practice by the International City/County Management Association (ICMA), the Government Finance Officer's Association (GFOA), the National League of Cities (NLC) and the Alliance for Innovation.



The following proposal and quote outline the steps in our PBBi Package.

Fiscal Health Value Proposition

The **Fiscal Forecasting & Scenario Planning Tool** provides a new visual tool to help facilitate budget discussions. Modeling in the Fiscal Forecasting Tool allows staff to develop live scenarios to provide elected officials an instant picture of the financial impacts of their decisions.

ResourceX strongly believes that this “Tool” puts decisions into a better perspective for your elected officials to tell the story of your organization’s financial condition using a visualization and helps manage your *Fiscal Health* as you look towards the future. You’ve recognized the “dashboard” qualities of the “Tool”, in that it provides an immediate and interactive depiction of various scenarios and decisions that face your organization and provides improved clarity in the simple and “unified picture” that everyone can see.

Data Visualization allows us to create a common view of the financial situation that is simple to understand and interpret, describes the clearly defined variables that can impact the financial situation, allows for “live” and “real-time” changes in these variables, and offers the ability for “dynamic” modeling of “what-if” scenarios. Communicating that picture simply and clearly is a valuable function of this tool.

If local governments are going to be able to demonstrate financial reality internally to elected officials and staff, and externally to residents, they have to find better ways to make fiscal situations understandable and transparent to everyone.

The following are illustrative of how **ResourceX** helps organizations visualize a common view of their fiscal situation through the development of the “**Fiscal Forecasting & Scenario Planning Tool**.”

1) “SPENDING WITHIN OUR MEANS”- focusing on the alignment between *ongoing* sources and *ongoing* uses and on the alignment between *one-time* sources and *one-time* uses.

Specifically, **ResourceX** helps communities:

- Shift the focus of forecasting and budgeting from expenditures to revenues.
- Establish alignment between ongoing revenues and ongoing expenditures and one-time sources and one-time uses.
- Base resource allocation strictly on available (*and reliable*) ongoing revenues and one-time sources (*as opposed to historical or forecasted expenditures*).
- Distinguish between **general government** revenues (*taxes, franchise fees, etc.*) **program** revenues (*user fees, grants, permits, etc.*); and understand the relative reliance of each funding source.
- Require that reductions in specific program revenues are offset by equal reductions in expenditures for that same program.
- Minimize reliance on volatile revenues sources to fund ongoing operations.
- Create incentives for departments to seek diversification, manage and monitor their program revenues.

2) ESTABLISHING AND MAINTAINING RESERVES – focusing on fund balance reserves and the monitoring tools in place to protect those reserves.

Specifically, **ResourceX** helps communities:

- Create an inventory listing of all reserves maintained across the organization and assess the adequacy and appropriateness of reserved and unreserved fund balances, eliminating any that are excessive, unnecessary or duplicated (*having “too much” may be as problematic as having “too little” if there is no plan for how the funds are to be used to benefit the community*).
- Develop appropriate monitoring mechanisms that ensure reserves are being held in full compliance with all required restrictions, reservations or designations of fund balance.

3) UNDERSTANDING VARIANCES - focusing on disparities between budget projections and actuals to look for opportunities to shift resource allocations from areas where they are not needed and more importantly improve the accuracy of revenue and expenditure forecasts by eliminating the impact of recurring historical variances.

Specifically, **ResourceX** helps communities:

- Determine specific reasons for the occurrence of variances and adjust future budgets to be more in line with actual experience.
- Identify programs or services where resources have historically been “over-allocated,” allowing for those resources to be re-allocated to other areas of need.
- Improve the accuracy of revenue and expenditure forecasts by better isolating and identifying emerging trends as well as eliminating the impact of recurring historical variances.
- Identify where resources have been allocated on a regular basis for one-time or cyclical costs, contingencies and/or worst-case scenarios and re-allocate those ongoing resources where possible.
- Evaluate “centralization” versus “decentralization” of services
- Develop a salary/benefit projection tool to more accurately budget employee compensation costs and assist in analyzing the impact of variances (*including vacancy savings, turnover issues unanticipated benefit costs increases, etc.*).
- Ensure that expenditures related to multi-year capital projects are budgeted in the years in which costs will be incurred to prevent large unplanned budget appropriations (“carry-forwards”).
- Review the organization’s “Chart of Accounts.”

4) BEING TRANSPARENT ABOUT THE “TRUE COST OF DOING BUSINESS” – focusing on ensuring that appropriate internal service and administrative costs are shouldered by the programs that benefit from those services, ensuring that fees for services are capturing both direct and indirect costs (*appropriate for cost recovery objectives*) and ensuring that the full cost of offering programs and services is clearly articulated and understood.

Specifically, **ResourceX** helps communities:

- Allocate appropriate internal and indirect costs so that the burden is shared by the programs (*and other accounting funds*) that demand and use those services.
- Ensure that fees for services, where some level of cost recovery is expected, capture both direct and indirect costs associated with providing the service.
- Identify opportunities to establish internal service funds for those departments that exist primarily to provide services to internal customers.
- Assist with the implementation of internal service funds, where appropriate, to align cost and level of service with customer demand.
- Identify the total cost (*including direct and indirect costs*) of providing all programs.
- Encourage the use of a formal **Cost Allocation Plan** or other internal cost allocation process to establish the methodology by which overhead and administrative costs can be allocated to user departments and/or to various accounting funds, potentially relieving the burden on the General Fund where these types of costs normal “reside.”
- Develop asset replacement/maintenance plans and perform asset utilization studies.
- Perform “sourcing” analysis for identified programs and services, developing recommendations and comparative costing studies.

5) INCORPORATING LONG-TERM PLANNING INTO DECISION MAKING –focusing on the inclusion of all long-term plans prepared by the organization into financial forecasts and the budget process as well as the associated incorporation of relevant external economic influences. Additionally, insuring that the organizations use clear and concise modeling tools to communicate forecasts, assess impacts of treatment solutions and identify impacts of budget decisions.

Specifically, **ResourceX** helps communities:

- Understand the impact of relevant external economic influences and incorporate them into forecasts and budget projections.
- Identify and incorporate all long-term plans prepared throughout the organization into long-term forecasts.
- Develop revenue and expenditure forecasting methodology.
- Prepare a comprehensive Capital Improvement Plan (CIP) that spans a period of at least five years and includes all potentially significant one-time expenditures as well as any associated ongoing operating costs.
- Assimilate all elements of fiscal health into our “**Fiscal Forecasting & Scenario Planning Tool**,” a scenario planning model that helps ensure decisions are made with an understanding of their impact on the organization’s future financial picture while upholding the objectives of **Fiscal Health**.
- Through the “**Fiscal Forecasting & Scenario Planning Tool**,” developing a simple, graphic communication device that is used consistently to provide decision makers with financial information at a summarized level.