

Master Services Agreement

This MASTER SERVICES AGREEMENT ("Agreement" is entered into as of _____, 2025 ("Effective Date") by and between TOWN OF CASTLE ROCK, a Colorado municipal corporation with its principal place of business at 100 North Wilcox Street, Castle Rock, Colorado 80104 ("Government"), and the Government Finance Officers Association of the United States and Canada, an Illinois not-for-profit corporation, having its offices at 203 North LaSalle Street, Suite 2700, Chicago, Illinois 60601 ("GFOA" or "Consultant"). Government and GFOA are collectively referred to herein as the "parties" and each individually as a "party".

Recitals

WHEREAS, Government desires to contract with GFOA to provide Services, as defined herein, based on the terms and conditions as set forth in this Agreement; and GFOA agrees to provide such Services, as defined herein, to Government, based on the terms and conditions as set forth in this Agreement.

Agreement

NOW, THEREFORE, in consideration of the premises, the mutual agreements herein set forth below, and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are incorporated in this Agreement by reference and made a part hereof.
2. **Consulting Services.**
 - a. Statements of Work. GFOA shall, in accordance with the terms of this Agreement, perform the services and provide the Deliverables (as defined below) described in, and shall invoice Government for services rendered according to the schedule outlined in, any "Statement of Work" (also referred to herein as an "SOW") executed by the parties in writing from time to time that references and incorporates the terms of this Agreement (all services that GFOA performs, or is obligated to perform, under this Agreement and any SOW are collectively referred to as the "Services"). Each SOW shall include a detailed description of the deliverables and other materials to be developed or created by GFOA for the benefit of Government (collectively, the "Deliverables"). All SOWs shall be incorporated in this Agreement upon execution.
 - b. Change Orders. Government may, from time to time, request in writing changes to a SOW. Upon Government's written request to modify the SOW, GFOA will submit a written proposal stating whether it believes it can make the changes and, if so, the estimated cost and schedule for delivery. If Government authorizes such written proposal, the parties shall reasonably describe the change and outline the modified terms to the applicable SOW in a written change order signed by an authorized representative of each of the parties (a "Change Order"). Any Change Order shall be incorporated by reference and attached as an appendix to the applicable SOW.
 - c. Contacts.
 - i. GFOA shall assign an engagement manager ("GFOA Engagement Manager") to serve as Government's primary contact with respect to the Services. The GFOA Engagement Manager will be responsible for overseeing the Services and addressing any issues or concerns raised by Government with respect to this

Agreement or the Services. GFOA's initial GFOA Engagement Manager is Mike Mucha, GFOA Director, Research and Consulting.

- ii. Government shall appoint an appropriate employee with authority to make decisions with respect to this Agreement and the Services to serve as GFOA's primary point of contact with respect to this Agreement and the Services ("Contract Administrator"). Government's initial Contract Administration are Trish Muller, Finance Director, and Pete Mangers, Assistant Director of Finance.
- d. Standard of Work. GFOA shall verify that each GFOA employee or contractor assigned to perform the Services is competent and qualified to provide such Services. The performance of the Services pursuant to the terms of this Agreement shall conform to commercially acceptable professional standards in the field of public finance. GFOA shall use commercially reasonable efforts to formulate opinions and create information upon which the Government may reasonably rely. The substance of such opinions and information, however, is not guaranteed by GFOA to be free from omission or errors except insofar as such errors or omissions occur as a result of gross negligence or willful misconduct by GFOA.
- e. Order of Precedence - Services. In the event there is a conflict between this Agreement and a SOW or Change Order, this Agreement will control if it specifically refers to the conflicting provision in this Agreement. In the event there is a conflict between a Change Order and an SOW, the Change Order will control if it specifically refers to the conflicting provision in the SOW, as applicable.

3. Proprietary Materials.

- a. Work Product. As used in this Agreement, "Work Product" means all Deliverables developed, produced, or created by GFOA (including its employees and contractors) for Government as part of the Services and pursuant to this Agreement and any SOW including, without limitation, all reports, presentations and related materials; provided, however, Work Product does not include any GFOA Materials included or incorporated in the Deliverables.

All Work Product (excluding any GFOA Materials included or incorporated therein), upon payment of all undisputed corresponding amounts due to GFOA hereunder, shall belong solely and exclusively to Government, and Government shall have exclusive title and ownership rights, including all intellectual property rights, in and to such Work Product. To the extent that exclusive title or ownership rights may not originally vest in Government as contemplated herein, GFOA hereby assigns to Government all right, title and interest, including all intellectual property and ownership rights, in such Work Product. To the extent permitted under the U.S. Copyright Act (17 USC §101 et seq., and any successor statute thereto), the Work Product will constitute "works made for hire," and the ownership of such Work Product will vest in Government at the time they are created. In any event, GFOA agrees to assign and transfer to Government, without separate compensation, all right, title and interest that GFOA may now or hereafter have in or to the Work Product, including, without limitation, all copyright, trademark, trade secret, patent and other intellectual property and proprietary rights therein. To the maximum extent allowed, GFOA irrevocably and unconditionally waives, in perpetuity, any rights GFOA may have with respect to the Work Product under any law relating to "the moral rights of authors" or any similar law throughout the world.

- b. Government Materials. As between the parties, Government shall own all right, title, and interest in and to all content, information, data, information, ideas, concepts, visions or other materials supplied by or on behalf of Government to GFOA in connection with this Agreement (collectively, the "Government Materials").

GFOA shall acquire no right, title, or interest hereunder to the Government Materials, except that Government grants GFOA a limited, revocable, non-exclusive, non-transferable license (strictly in accordance with this Agreement and the applicable SOW and the purposes reasonably inferable to have been intended thereby) to use the Government Materials during the term of the applicable SOW, solely as necessary and appropriate for the performance of GFOA's duties and provision of Services to Government under such SOW.

- c. Retained Rights. Government acknowledges that GFOA conducts ongoing research and consulting services for other governments and clients and has accumulated expertise in this field. Notwithstanding anything set forth in this Agreement to the contrary and the foregoing provisions of this Section 3, GFOA will retain all right, title and interest in and to all GFOA Materials and all GFOA Materials are, and shall remain, GFOA's sole and exclusive property. For purposes of this Agreement and any SOW, "GFOA Materials" means all methodologies, ideas, concepts, processes, techniques, tools, solutions, trade secrets, research data, databases of information and specialized database applications, software applications, computer programming and/or coding, and other materials, information and know-how developed by GFOA or any of its contractors or affiliates prior to the execution of this Agreement, during the Term of this Agreement or independent of the Services being provided under this Agreement or any SOW. Government shall not have or obtain any right or title to or interest in the GFOA Materials (or in any modifications or enhancements thereto) except as explicitly set forth in this Agreement. GFOA makes no express or implied warranties of any kind regarding the GFOA Intellectual Property.

d. Licenses.

- i. Notwithstanding anything set forth herein to the contrary, GFOA hereby grants Government a perpetual, irrevocable, nontransferable and non-assignable license to publish or disseminate the GFOA Materials included in the Deliverables; provided, however, Government shall not publish or otherwise disclose or use, in any manner, any portion of the GFOA Materials constituting or including GFOA's Confidential Information (as defined below). Government does not have the right to make derivative works from or based on the GFOA Materials.
- ii. In recognition of the fact that GFOA is an educational, not-for-profit, professional membership association, Government hereby grants GFOA a perpetual, irrevocable, royalty free license to use, publish, disseminate, reproduce, prepare derivative works of, perform, modify, and display publicly the Work Product (and any Government Materials included therein) as it sees fit in its sole and absolute discretion; provided, however, GFOA shall not publish or otherwise disclose, in any manner, any portion of the Deliverables constituting or including Government's Confidential Information (as defined below).

4. **Acceptance.** Government is entitled to Review and Evaluate the Services (including each phase of the Services, as applicable) including any Deliverables that are provided to Government pursuant to an SOW. The term "Review and Evaluate" means review and evaluation performed by or on behalf of Government to determine whether Services (or any phase of the Services, as applicable), including related Deliverables, comply with any specifications, requirements, or criteria set forth in the SOW. If Government reasonably determines that such Services (or phase of Services, as applicable) comply with the foregoing or otherwise decides in its sole discretion to accept the Services, Government will notify GFOA in writing of its acceptance of the Services ("Acceptance"). Absent written notice of Acceptance, Government automatically shall be deemed to have accepted all Services (including those in a given phase, as applicable) and the Deliverables resulting therefrom upon Government's payment of any invoices received from GFOA with respect to such Services. Upon Acceptance, Government shall be deemed to have released Consultant from any liability resulting from such phase of the Services.

If Government determines in good faith that the relevant Services or any portion or phase thereof are not acceptable, it shall notify GFOA in writing and provide sufficient detail to GFOA describing the reasons the Services are deficient. GFOA will make such commercially reasonable revisions, corrections or changes as may be necessary at its sole cost and expense within a reasonable period of time, and within ten (10) days after such corrections have been made Government will review the relevant Services and Deliverables. If the relevant Services still fail Government's Review and Evaluation, Government will grant GFOA a reasonable amount of additional time to provide a workable solution at GFOA's sole cost and expense.

5. Government Responsibilities.

- a. Excuse for Government's Failure to Perform. Government's failure to perform its responsibilities as defined in any SOW, or in any mutually agreed upon Change Order, may result in a delay in GFOA's performance of the Services. If and to the extent such a failure by Government directly, materially, and adversely affects GFOA's ability to perform under such SOW or Change Order and GFOA promptly notifies Government thereof in writing, then: (i) such failure by Government shall excuse GFOA's failure to fulfill its related responsibilities under such SOW or Change Order, and the timeline for GFOA's performance shall be extended, on a day-for-day basis, to account for the delay caused by Government's failure; and (ii) if Government's failure to perform its responsibilities in a timely manner prevents GFOA from, or delays GFOA in, performing the Services in a manner that materially increases the cost, risk, duration, or level of effort of GFOA's performance of its obligations under the applicable SOW or Change Order, GFOA may be entitled to an equitable adjustment in the compensation otherwise payable to it under such SOW or Change Order, with any such adjustment to be addressed through a mutually agreed upon Change Order.
- b. Access. Government agrees to give GFOA and its employees and contractors access to staff and the Government owned properties as required to perform the Services. In the event GFOA (including its employees and contractors) requires access to Government's office(s) or certain Government information, source code or Government's network and servers in order to be able to effectively provide the Services the GFOA Engagement Manager shall request such access by way of a written request delivered to the Contract Administrator. Upon receipt of such request, Government shall (i) provide GFOA's employees and contractors adequate work space at one or more Government locations as may be mutually agreed upon by the GFOA Engagement Manager and Contract Administrator; and (ii) provide only such access rights as are necessary for GFOA to effectively perform the Services, including remote access, utilizing VPN or another mutually agreed upon remote access technology to access Government programs and data from remote locations or GFOA's offices. GFOA agrees that its employees and contractors shall access only that Government information which is necessary in order to fulfill GFOA's obligations hereunder and shall strictly adhere to all security protocols, including without limitation accessing Government's source code solely through the Government's source code management system, established by Government.
- c. Third Party Vendors. Government acknowledges and agrees that it is responsible for all decisions it makes based on the information and recommendations provided by GFOA and acknowledges that (i) GFOA is not a software provider, systems integrator or other supplier or vendor; (ii) GFOA's role is solely to provide information, analysis and advisory services; and (iii) any decision made by Government with respect to engaging or contracting with any software, services or other vendor or supplier is solely that of the Government and Government bears all responsibility for such decisions. Accordingly, Government agrees that Consultant shall bear no responsibility and shall incur no liability with respect to the performance or provision of any software, hardware, or implementation services (as applicable).

6. **Term.** The term of this Agreement shall begin on the Effective Date and continue expire on December 31, 2028, unless terminated earlier by either party as provided in Section 7 of this Agreement ("Term"). The parties may mutually agree to extend the Term of this Agreement by a written amendment to this Agreement prior to the expiration of this Agreement.

7. **Termination.**

- a. Termination Upon Breach. Either party may terminate this Agreement by providing thirty (30) days written notice to the other party in the event: (i) the other party is in breach of any of its obligations under this Agreement and fails to remedy such breach within ten (10) days following written notice from the other party, (ii) the other party ceases to do business (in whole or in part), becomes or is declared insolvent or bankrupt or is the subject of any proceedings relating to its insolvency or liquidation, or (iii) in the event the other party is subject to a merger in which it is not the surviving or controlling party.
- b. Termination for Convenience. Either party may terminate this Agreement or any SOW hereunder at any time, with or without cause, upon thirty (30) calendar days advance written notice to the other party. Notwithstanding anything to the contrary in this Agreement or any SOW, in the event of any termination under this Section 7.b, Government will only be liable to make any payments which are due hereunder (or any applicable SOW) to GFOA for work actually performed in accordance with the terms and conditions herein (or in any applicable SOW) up to the effective date of such termination.
- c. Termination of SOW. Termination of any SOW shall not serve to terminate any other SOW or this Agreement unless expressly stated in the notice of termination. Unless specifically provided in the termination notice, termination of this Agreement shall also not terminate any SOW and, with respect to any particular SOW, the terms and conditions of this Agreement shall remain in full force and effect until the expiration or termination of such SOW.
- d. Effect of Termination. Upon termination of this Agreement for any reason GFOA shall promptly (i) promptly terminate its provision of the Services; (ii) deliver to Government all Deliverables completed at the time of termination or expiration provided Government has paid all sums due and owing GFOA in connection with this Agreement and all outstanding SOWs; and (iii) return all Government Materials and Confidential Information provided by Government to GFOA during the provision of the Services.

Upon termination of this Agreement for any reason, Government shall (i) pay GFOA all Services rendered and fees charged up to and including the effective date of such termination on a time and materials basis using the rates set forth in Exhibit A; and (ii) reimburse GFOA for all expenses incurred by GFOA in accordance with the terms of this Agreement (including, with respect to GFOA's expenses in accordance with the provisions of Section 11) up to and including the effective date of such termination. Final payment of all sums due to GFOA shall be due within fifteen (15) calendar days following the effective date of the termination of this Agreement or any SOW entered into hereunder.

Any provision of this Agreement which, by its nature, would survive termination or expiration of this Agreement will survive any such termination or expiration, including the provisions of Sections 3, 5.c, 7.d, 8, 9, 11, 13, and 14.a -c, e-g and j.

8. **Confidential Information.**

- a. Definition. For purposes of this Agreement, "Confidential Information" shall mean all information marked as confidential, and all trade secrets, processes, works of authorship, inventions, discoveries, developments, systems, computer programs, code, algorithms,

formulae, methods, ideas, know-how, functional and technical specifications, designs, passwords, analysis, research, business plans, pricing strategies, data, source code, programming code and other documentation created under this Agreement in conjunction with the Services rendered, and all other information which, if disclosed to a third party, could adversely affect the relevant party or its business interests. Confidential Information shall not include: (i) information known to the receiving party prior to entering into this Agreement; (ii) information independently developed by the receiving party without use of or reference to the other party's Confidential Information; and (iii) information in the public domain through no wrongful act or breach of this Agreement.

b. Obligations. Government and GFOA agree to:

- i. protect and safeguard the confidentiality of the other party's Confidential Information with at least the same degree of care as it would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care;
- ii. not use the other's Confidential Information, or permit it to be accessed or used, for any purpose other than in connection with the provision of the Services pursuant to the terms of this Agreement;
- iii. not disclose any such Confidential Information to any person or entity, except to their respective employees, officers, directors, partners, consultants, agents or advisors (collectively, "Representatives") who:
 1. need to know the Confidential Information in order to assist the disclosing party, as applicable, or act on its behalf, in relation to provision of the Services or to exercise its rights under this Agreement;
 2. are informed by the disclosing party of the confidential nature of the Confidential Information; and
 3. are subject to confidentiality duties or obligations to the disclosing party that are no less restrictive than the terms and conditions of this Agreement.
- iv. be responsible for any breach of this Agreement caused by any of its Representatives, including, without limitation, the Consultants.

c. Standard of Care. The parties agree to use all commercially reasonable best efforts to protect unauthorized use or distribution of Confidential Information. Both parties agree that any unauthorized use or disclosure of the other party's Confidential Information in a manner inconsistent with the terms of this Agreement may cause the relevant party irreparable damage for which remedies other than injunctive relief may be inadequate. The obligations outlined in this paragraph shall apply to all authorized employees, contractors and agents of each party who have access to or are in a position to obtain Confidential Information. The parties agree to return or destroy all Confidential Information that it obtained from the other party upon expiration or termination of this Agreement without retaining copies thereof. Upon expiration or termination of this Agreement, GFOA and Government shall verify in writing that they have complied with the provisions of this section.

9. **Representations and Warranties; Indemnity.**

- a. Authority. GFOA represents and warrants that: (i) it is properly incorporated and in good standing in its state of incorporation; (ii) has the authority necessary to enter into and carry

out the obligations set forth in this Agreement; and (iii) has the authority to grant the licenses and rights it purports to grant to Government in this Agreement.

- b. Services. GFOA represents and warrants that it will provide the Services in compliance with all applicable laws, rules, regulations, and ordinances, and in accordance with this Agreement and the applicable SOW, generally accepted industry standards, and all applicable policies of Government regarding confidentiality, security, and conduct on Government's premises.
- c. Non-Infringement. GFOA represents and warrants that the Deliverables and the Services, other than any third party property authorized by Government to be incorporated therein, will not infringe upon or violate any patent, copyright, trade secret, trademark or other proprietary right of any third party (or that GFOA has obtained from any such third parties the rights to use and to permit Government to own the Deliverables).
- d. Indemnification. Subject to the limitation on liability and Liability Cap set forth below in Section 13 below, GFOA (the "Indemnifying Party") shall indemnify, defend and hold harmless the Government (the "Indemnified Party") and its respective officers, directors, employees and agents against any and all actions, controversies, demands, suits, proceedings, claims, causes of action, liabilities, losses, costs, interest, penalties, demands, expenses and damages of any kind whatsoever (including reasonable attorneys' fees and costs incurred in connection with the arbitration or resolution of any dispute as set forth herein) (collectively, "Losses") related to or arising, directly or indirectly, from any claims of third parties against an Indemnified Party arising out of the gross negligence or willful misconduct of the Indemnifying Party or any of its employees and/or agents. GFOA acknowledges and understands that the Colorado State Constitution prohibits the Government from the practice of indemnifying any party - public or private. Therefore, the Government is prohibited from entering into any agreements which require indemnification of a vendor by Government and any such language herein is null and void.

10. **Location and Facilities.** GFOA may perform aspects of the Services at Government's offices or Government's designated sites. GFOA reserves the right to perform work at locations other than Government's offices or Government's designated sites as reasonably deemed appropriate by GFOA.

11. **Payment Terms.**

- a. Invoices. GFOA shall provide Government with an invoice setting forth GFOA's fees for the Services and any reimbursable expenses incurred, which will, unless otherwise set forth in the SOW, be billed on a project basis (i.e., fixed fee). Unless otherwise specified in the SOW, Government shall pay invoices received from GFOA within thirty (30) calendar days of Government's receipt of the invoice ("Payment Date") and invoices shall be issued upon the completion of the Services and/or phases or milestones set forth in the applicable SOW. The Government may withhold payment, in whole or in part, for the Services found by the Government to be defective, untimely, unsatisfactory, or otherwise not conforming to this Agreement, or not in conformance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Government shall not be required to pay for disputed Services until the dispute is resolved. Subject to the foregoing, the Government shall pay such invoices within thirty (30) days receipt of such invoice. **In no event shall payment to GFOA under this Agreement exceed \$455,500.00, unless authorized in writing by Government.**
- b. Past Due Amounts. Undisputed past due balances in excess of forty-five (45) days, shall accrue interest at the rate of three-quarters of a percent 1.5% per month, or the highest rate permitted by law. GFOA reserves the right to delay or suspend its Services to Government in the event Government has an undisputed past due balance with GFOA.

- c. Taxes. GFOA understands and acknowledges that Government is a tax-exempt governmental entity. Government will provide GFOA with a valid tax exempt certificate before the commencement of Services.
 - d. Annual Appropriation. The continuance of this Agreement is contingent upon the appropriation of funds to fulfill the requirements of the Agreement by the Government. If Government fails to appropriate sufficient monies to provide for the continuance of the Agreement, the Agreement shall terminate on the final day preceding the date of the beginning of the first fiscal year for which funds are not appropriated. The Government's only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination.
 - e. Staffing and Rates. Consultants shall perform Services in accordance with the terms of this Agreement and the SOW. Government will pay GFOA on a project basis, unless otherwise set forth in the SOW. In the event Government pays for Services on an hourly basis, GFOA's staff/contractor time will be billed at the mutually acceptable rates set forth in the applicable SOW.
 - f. Expenses.
 - i. *Travel expenses.* Unless stated otherwise in the SOW, GFOA pricing includes travel costs for expected level of travel as identified in the SOW.
12. **Provision of Services to Third Parties.** Government agrees that this Agreement shall not preclude GFOA from providing its services to third parties.
13. **Limitation on Liability and Damages.**
- a. Force Majeure. In no event shall either party or its officers, directors, employees, agents, consultants or suppliers be liable under this Agreement to the other party or any other third party for any indirect, special, incidental, punitive or consequential damages (such as damages for loss of good will, work stoppage, lost or corrupted data, computer failure or malfunction, lost profits, lost business or lost opportunity), or any other similar damages resulting from a delay in performance or any failure to perform hereunder caused in whole or in part by reason of force majeure, which with respect to GFOA shall be deemed to include the occurrence of any event beyond the control of GFOA that renders performance impossible, illegal or impracticable, which shall include Government's failure to furnish necessary information with respect to details of performance on the part of the Government, war (whether an actual declaration thereof is made or not), sabotage, terrorism, insurrection, riot and other acts of civil disobedience, action of a public enemy, failure or delays in transportation, pandemic, communicable disease, laws, regulations or acts of any national, state or local government (or any agency, subdivision or instrumentality thereof), judicial action, labor dispute, accident, fire, explosion, flood, storm or other act of God, shortage of labor, fuel, raw materials, machinery or technical failures. Government shall not withhold its Acceptance by reason of delays occasioned by force majeure. Any delay resulting from force majeure shall correspondingly on a day-by-day basis extend the time for performance by GFOA.
 - b. Limitation of Liability. GFOA's liability for any matter arising under or in connection with this Agreement, an SOW or from any transaction contemplated herein, including without limitation the provision of the Services, in no event shall exceed the actual amount paid by GFOA's insurer as a result of any claim made with respect to such matter under the insurance policies maintained by GFOA in accordance with Section 14.d of this Agreement (the "Liability Cap"). Provided, however, that should insurance proceeds not be available or paid out due to GFOA's failure to possess or maintain insurance coverage as required by this Agreement, or through any other act or failure to act by GFOA impacting the availability

or payment of insurance proceeds, the aforementioned limitation of the Liability Cap shall not apply. Government acknowledges that the Liability Cap (subject to the aforementioned limitations on the Liability Cap) is a material term upon which GFOA has relied in entering into this Agreement and that GFOA would not have entered into this Agreement in the absence of such provision.

14. Miscellaneous.

- a. Governing Law & Venue. This Agreement shall be interpreted, construed and governed by the laws of the State of Colorado, without regard to its conflict of law rules. Venue for all legal actions shall lie in the District Court in and for the County of Douglas County, State of Colorado.
- b. Dispute Resolution.
 - i. The parties shall attempt to resolve any claim or disputes arising in connection with this Agreement or the Services provided hereunder by escalating the dispute to a senior representative of each party, and such senior representative shall use good faith efforts to resolve the dispute. The parties shall make good faith efforts to resolve any and all disputes as quickly as possible. If the senior representatives are unable to resolve the dispute, the dispute shall be decided by arbitration as set forth below.
 - ii. Any claim or dispute of any nature between the parties hereto arising directly or indirectly from the relationship created by this Agreement or the Services provided hereunder shall be resolved exclusively by arbitration in Douglas County, Colorado in accordance with the commercial arbitration rules of the American Arbitration Association. The arbitration shall be conducted by either: (i) a single arbitrator mutually agreed upon by the parties; or (ii) if the parties fail to agree upon an arbitrator within thirty (30) days after submission of the claim to arbitration, then a single arbitrator appointed by the American Arbitration Association. Any such arbitrator shall have reasonable experience in the area of computer software, computer programming and services agreements and issues. The fees of the arbitrator shall be paid by the party that is unsuccessful in such arbitration. Each party shall be responsible for its own costs incurred in connection with such arbitration. The decision of the arbitrator shall be final and binding upon both parties. Judgment of the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. In the event of submission of any dispute to arbitration, each party shall, not later than thirty (30) days prior to the date set for hearing, provide to the other party and to the arbitrator a copy of all exhibits upon which the party intends to rely at the hearing and a list of all persons each party intends to call at the hearing.
- c. Independent Contractors. The parties are and shall be independent contractors to one another, and nothing herein shall be deemed to cause this Agreement to create an agency, partnership, or joint venture between the parties. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee.
- d. Insurance.
 - A. GFOA agrees to secure, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. GFOA shall keep the required insurance coverage in force at all times during the term of the Agreement, including any extension thereof, and during any warranty period. The required insurance shall be underwritten by an insurer licensed or

authorized to do business in Colorado and rated by A.M. Best Company as "A-VII" or better. Each policy shall require notification to the Government in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in the Notices section of this Agreement. Such notice shall reference the Government. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, GFOA shall provide written notice of cancellation, non-renewal and any reduction in coverage to the Government by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s). GFOA shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Agreement do not lessen or limit the liability of the GFOA. The GFOA shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement. All commercial and automobile liability policies shall have the following additional provisions:

- Severability of interests or separation of insureds provision;
 - Provision that coverage is primary and non-contributory with other coverage maintained by Government;
 - The underlying Agreement is an "insured contract" under the policy; and
 - Defense costs shall be outside the policy limits for liability coverage.
- ◆ Proof of Insurance: GFOA may not commence services or work relating to this Agreement prior to placement of coverages required under this Agreement. GFOA certifies that the certificate of insurance attached as Exhibit B, preferably an ACORD form, complies with all insurance requirements of this Agreement. The Government's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of GFOA's breach of this Agreement or of any of the Government's rights or remedies under this Agreement. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Government. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate.
- C Additional Insureds: For Commercial General Liability and Automobile Liability, Consultant and subconsultant's insurer(s) shall include the Government, its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Government as additional insured.
- ◆ Waiver of Subrogation: For all coverages required under this Agreement, GFOA and Government's insurer shall waive subrogation rights against each other, and their elected and appointed officials, officers, employees, agents acting within the course and scope of their duties for the Government.
- E Subcontractors: GFOA shall confirm and document that all subcontractors (including independent contractors, suppliers or other entities providing goods or services required by this Agreement) procure and maintain coverage as approved by the GFOA and appropriate to their respective primary business risks considering the nature and scope of services provided.
- E Workers' Compensation and Employer's Liability Insurance: GFOA shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.
- G Commercial General Liability: GFOA shall maintain a Commercial General Liability insurance policy with limits of \$1,000,000 for each occurrence and \$2,000,000 products

- and completed operations aggregate, and \$2,000,000 general aggregate (per project). The policy shall provide coverage for all claims for bodily injury, property damage (including loss of use), products and completed operations, and contractual liability.
- t L Automobile Liability: GFOA shall maintain Automobile Liability with limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Agreement.
 - L Professional Liability (Error & Omissions): GFOA shall maintain limits of \$1,000,000 per claim and \$1,000,000 policy aggregate limit.
- e. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law but if any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law or rule, the validity and enforceability of the other provisions of this Agreement will not be affected or impaired thereby.
 - f. Modification, Amendment, Waiver or Termination. No provision of this Agreement or an SOW may be modified, amended, waived or terminated except by an instrument in writing signed by both parties to this Agreement. No course of dealing between the parties will modify, amend, waive or terminate any provision of this Agreement or any rights or obligations of any party under or by reason of this Agreement.
 - g. Assignment. Neither party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party.
 - h. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.
 - i. Digital Accessibility. GFOA agrees that all deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement comply with Colorado law governing digital accessibility, including but not necessarily limited to at a minimum conforming with the current Web Content Accessibility Guidelines ("WCAG") followed by the State of Colorado. To the extent any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement fail to comply with the requirements of this Section, GFOA releases and indemnifies Government, its officers, agents, and employees from any and all claims, damages, suits, costs, expenses, liabilities actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, said failure. These indemnification obligations shall survive the expiration or termination of this Agreement.
 - j. No Discrimination in Employment. The Government is a governmental agency and, therefore, in connection with the performance of Services under this Agreement, GFOA shall not refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability, or any other protected class under Federal or State law; and GFOA shall insert the foregoing provision in any subcontracts hereunder.
 - k. Americans with Disability Act. GFOA agrees that any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement, to include website design services, will comply with all requirements of the Colorado Anti-Discrimination Act, Title II of the Americans with Disabilities Act and, where applicable, Section 504 of the Rehabilitation Act and the Architectural Barriers Act. To the extent any deliverables, work, services, or equipment developed, designed, constructed or produced

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

TOWN OF CASTLE ROCK

**Government Finance Officers Association of
the United States and Canada**

By: _____
Authorized Representative

Name: Jason Gray

Date: _____

Title: Mayor

By: _____

Name: AA, \ Mv1.14,....

Date: 11/7/2014

Title: Deputy Executive Director

ATTEST:

By: _____
Lisa Anderson, Town Clerk

Approved as to content:

By: _____
Trish Muller, Finance Director

Approved as to form:

By: _____
Stacey Song, Assistant Town Attorney

EXHIBIT A
FORM OF STATEMENT OF WORK

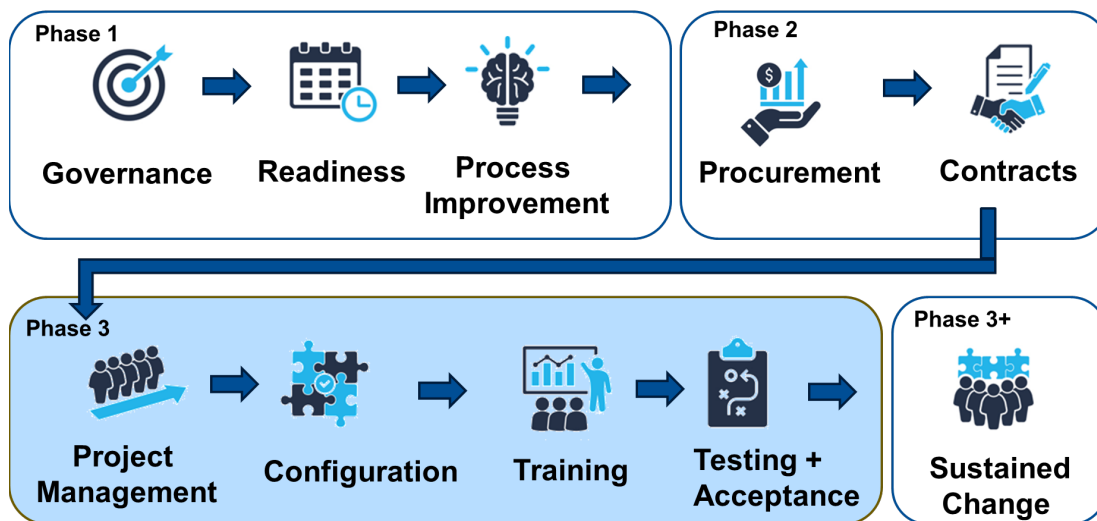
This SOW on the following page(s) incorporates all of the terms and conditions set forth in the Agreement and the Agreement governs the relationship between Government and GFOA. Any modifications to the Agreement that are agreed to by Government and GFOA must be specifically set forth in this SOW, and such modifications shall apply only to this SOW, and not to any previous or subsequent SOWs, unless expressly stated otherwise in such other SOW. All other terms and conditions of the Agreement shall remain in full force and effect. All terms not otherwise defined in this SOW shall have the meaning set forth in the Agreement. In the event of a discrepancy between this SOW and the Agreement, the terms of the Agreement shall control.



Exhibit A - Statement of Work

ERP system implementations offer much promise for improving business processes, empowering employees with tools to become more effective, and ultimately transforming the entire organization. With improvements in technology and market trends favoring “cloud technologies,” this shift not only includes business process, but also risk management, organizational roles, and governance. However, implementation of these systems is a complex effort and many organizations struggle to realize many of the promised benefits. GFOA’s role with this project will be to assess all current administrative systems related to finance (and budgeting) to develop a high-level strategy for future system use and alignment with best practices. GFOA understands that the Town is looking to retain its UKG human resource information system (HRIS), but desires to improve integration and overall efficiency for processes that include both the finance and HRIS. Similarly, other systems beyond Naviline that are in scope for GFOA analysis may not all be candidates for upgrade or replacement in the short term, but analysis allows GFOA to properly advise the organization on both short term and long-term options and needs to connect systems to improve business process efficiency. While focus of the analysis will be on the scope of functions prioritized by the Town, GFOA will also review other related administrative systems that integrate to an ERP system or where the market may support options for replacement within an ERP system. GFOA prefers to take an enterprise-wide approach to system decisions with knowledge of the complete systems landscape. Prior to making decisions on technology (including option to consolidate some of the current Town systems), GFOA will provide an overall assessment of business process, system utilization, and help plan for future vision for administrative processes for the Town.

GFOA’s scope and services for this proposal are organized into major phases.





Phase 1 – Business Process Improvement / Readiness

- Task 1: Project Planning and Management (Governance)
- Task 2: Initiate Readiness - Needs Assessment / Process Analysis
- Task 3: Readiness/Action Plan (Process Improvement)
 - Task 3A: Chart of Accounts

Phase 2 – RFP Development and Selection Assistance

- Task 4: RFP Development / Scope Development
- Task 5: Evaluation Strategy
- Task 6: System and Vendor Selection
- Task 7: Contract Negotiations

Phase 3 – Implementation Project Management Services

- Task 8: Implementation Advisory Services

Phase 3+ - Sustained Change

Task 9: Post Project Assessments

Within each phase we have identified major tasks and each task includes deliverables and milestone payments that are defined below. GFOA views every project as a partnership with our client and we aim to work together as a team to address project risks, issues, recommendations and build a strategic path forward along with organizational momentum for the ERP implementation.

Task 1: Project Planning and Management (Governance)

Working together, GFOA and the Town project manager will prepare the following tools that will be essential to project coordination. In preparing all project planning and management plans, we will work to work this project into the structure that already exists within the organization.

- **Governance Support** – GFOA recognizes that the success of any change project depends on the ability to adapt to the changes that technology brings to both business process and organizational culture. We also understand that any enterprise system is not owned or controlled by one department in the organization. We are proposing to assist the Town with the development of a governance structure for the project.





This would include identifying the model for a steering committee, project team, and any business process improvement functions. We have also found that governance of a future ERP system needs to be enterprise-wide and will work to develop a collaborative model that works for all stakeholders. We also know that having clear and defined roles is a huge advantage when issues arise. Our Financial Foundations Framework identifies five (5) key pillars of effective and sustainable (change) management. Each pillar includes different leadership strategies and/or institutional design principles that we have found translate exceptionally well to ERP governance. Understanding that local governments cannot order people to collaborate, leadership strategies help inspire pride and public support for a strong financial foundation. Institutional design principles, meanwhile, are the “rules of the road.” They provide the context for leadership strategies and ensure continuity of good financial practices through changes in leadership. For more information, please visit <http://gfoa.org/financial-foundations>.

- **Staffing Plans** - GFOA will help the Town identify a project team and prepare individuals to work through business process change as part of this project and the eventual ERP implementation. GFOA’s approach is focused on developing cross-department teams organized by business function. These teams (called PIT Crews) are able to lead discussions around policy, process change, and change management, and help establish the vision for the future system.
- **Project Plan** – GFOA will prepare a project plan that lists tasks and milestones. We then track the project in a collaboration tool (Microsoft Teams). GFOA also will prepare project dashboards, issue lists, and communication tools that will be used throughout the project.
- **Project Management** – GFOA will participate in regular project management meetings and provide a regular (monthly or more frequently as desired) status report for the project. We expect our project manager to serve as a coach, guide, and advisor throughout the project. They will maintain regular communication to address issues, point out risks, provide lessons learned, and ultimately work to help the project be a success. Ongoing costs and effort for all project management activities are built into GFOA’s milestones and deliverables. As part of our ongoing project management services, we will help prepare any communications, attend council meetings, or help delivery key messages stakeholders.
- **Project Management Coaching** – GFOA offers coaching services to project management staff. Often, ERP project managers step into a new role – taking on additional responsibilities and a position of authority within the organization. For some new or inexperienced project managers, this can be quite intimidating. For experienced project managers, this project may represent new challenges related to communications, conflict resolution, diverse teams, or change management. GFOA has established an executive coaching program that brings





together a cohort of project managers from across GFOA's ERP projects. The program is optional, but provides resources and support for up to one (1) project manager. Meetings occur monthly (or as necessary) and include both live and on-demand training services.

Task 1: Project Planning and Management	
Duration	<ul style="list-style-type: none">• 1-2 Months + Ongoing Throughout Project
On-Site Presence	<ul style="list-style-type: none">• As Necessary
Deliverables	<ul style="list-style-type: none">• Project Charter• Project Goals• Project Plan• Staffing Readiness• Status Report Template• Ongoing Readiness and Project Support Recommendations• MS Teams Collaboration Site• Weekly Status Reports• Additional Update As Required

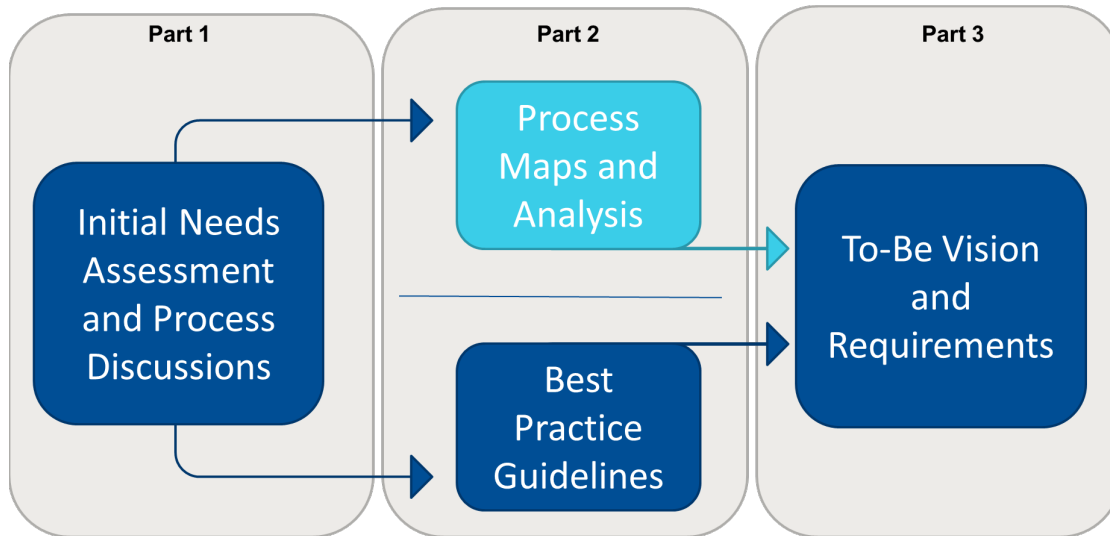
Task 2: Process Analysis

Our proposal includes services for GFOA to take a lead role in identifying potential business process changes along with preparing a strategic approach for moving forward. GFOA's process analysis focuses on gaps to address or improvement options for the organization and helps to establish a future vision for administrative processes. While we will look at opportunities for system improvements, we also want to consider business process and policies – as the most impactful changes occur when system and process/policy change occur together.

GFOA will meet with stakeholders and gather information on how the current systems are being used and how it supports business processes. GFOA uses the three-part approach depicted in the graphic above to guide business process improvement. For the first part, GFOA will facilitate initial business process discussions to better understand the current situation and begin discussing expectations and goals for a future system.

A major benefit from sessions facilitated by GFOA consultants is that stakeholders will share a common understanding of the current process and can explore together the current challenges, weaknesses, and areas for improvement. By discussing changes in the open, it is also a critical change management strategy to help the organization begin the transition to a new process.





The following table identifies GFOA’s starting point for identifying the process scope of the project. During Task 1, GFOA project managers will confirm this scope with the Town and many any adjustments that are necessary. Where appropriate, we may conduct separate meetings with select departments, but GFOA’s initial approach is to facilitate meetings with representation from a variety of departments together.

Moving forward with guidance from the Town, GFOA will continue discussions bringing in either a collaborative approach to process mapping and process change or use of best practice guidelines to generate additional discussion and reaction around business process change to prepare for potential system change. For processes where GFOA’s mapping technique is used (typically processes that occur frequently and involving many different stakeholders (example: purchasing approvals or time entry)), mapping process is a critical first step in change management. GFOA’s mapping process is a highly collaborative one and will involve participation of a wide variety of stakeholders. Once maps are developed, GFOA consultants will conduct an analysis to benchmark the existing processes against recognized public sector best practices, ERP functionality, other organizations, and the Town’s project goals. We will also facilitate sessions that are similar to “Lean” process improvement workshops to discuss improvement strategies with staff.

For processes that are more system dependent, GFOA will leverage best practice guidelines and templates to help communicate future state options. This short cut allows for more time to discuss future options where change management issues don’t present as much of a risk.



Process List	
Process	Task / Topics
Accounting	<ul style="list-style-type: none">• Chart of Accounts• General Ledger Transactions• Grant / Project Tracking• Financial Reporting
Budget	<ul style="list-style-type: none">• Operating Budget• Capital Improvement Planning (CIP)• Capital Budget• Budget Adjustments / Amendments
Grants Management	<ul style="list-style-type: none">• Grant Applications• Grant Award• Grant Monitoring
Procure – Pay	<ul style="list-style-type: none">• Vendors• Purchase Requisitions• RFP / RFI / RFQ• Purchase Orders• Contract Management• Inventory• P-cards• Accounts Payable• Travel Reimbursement
Customer Billing (<i>miscellaneous receivables / not utility billing</i>)	<ul style="list-style-type: none">• Customer File• Miscellaneous Billing• Accounts Receivable
Treasury	<ul style="list-style-type: none">• Cash Receipts• Disbursements• Interest Allocation• Bank Reconciliation
Asset Management	<ul style="list-style-type: none">• Asset Acquisition• Asset Tracking• Transfer / Disposal / Retirement• Work Orders• Preventative Maintenance• Infrastructure Management• Asset Lifecycle Management
Human Resources	<ul style="list-style-type: none">• Positions• Interface to HRIS (UKG)*
Time Entry – Payroll	<ul style="list-style-type: none">• Interface to HRIS (UKG)*

Note: For general system wide features such as reporting, dashboards, workflow, notifications, document management, etc. we will cover each within the appropriate business process areas.





For third party systems in place, GFOA will analyze the existing business process and make recommendations to better integrate the application in with a modern ERP.

GFOA understands that the Town uses UKG for HR and payroll functionality. As part of analysis, GFOA will review HR and payroll processes as it relates to potential interface to the finance system.

Task 2: Needs Analysis / Process Analysis

Frequency	<ul style="list-style-type: none"> • 2-3 Months
On-Site Presence	<ul style="list-style-type: none"> • Approximately 50-75% Onsite
Deliverables	<ul style="list-style-type: none"> • Process and System Analysis • Future State Process Documentation

Task 3: Develop a Plan of Action

GFOA will prepare a readiness plan for internal tasks for each organization that need to be completed along with the procurement of a new system or considerations for system upgrade. Readiness tasks generally identify business process and policy improvement steps that can be initiated prior to the software implementation and help prepare the organization for success. GFOA's project plan will take into account past lesson's learned on projects and identify several milestones or benchmarks for the organization to measure its readiness progress against. It is expected that the readiness project plan include tasks related to the following:

Readiness Plan	
Process	Readiness Tasks
Accounting	<ul style="list-style-type: none"> • Chart of Accounts
Budget	<ul style="list-style-type: none"> • Budget Policies / Smarter School Spending • CIP Policies
Procure – Pay	<ul style="list-style-type: none"> • Procurement Policies • Process Improvements • Data Conversion
Asset Management	<ul style="list-style-type: none"> • Data Conversions • Asset Management Policies

In addition, GFOA's readiness plan will cover overall issues related to:

- Project scope
- Project management
- System inventory
- Procurement of a new system (procurement considerations)
- Staff planning
- Budgeting for the project





- Project communications

Task 3A: Chart of Account Development

GFOA will work with the Town staff to define and build out a revised chart of accounts. We consider this to be a critical component of project readiness. The chart of accounts (project/activity structure) serves as the foundation for the financial system and all financial transactions. It also takes time to work through and must be aligned with all other business process recommendations and future vision for the system.

GFOA has standard guidance for all organizations working on a chart of account revision and will work with the organization to determine the future chart. GFOA will follow the process below and create documentation for each step.

- **Define Each Segment** – Each segment of the chart of accounts should have a strict definition that can be communicated and enforced. This will prevent internal inconsistencies within the chart of accounts. For example, the organization will determine what needs to be tracked and will universally agree and document what a “fund” is, what a “department” is, what a “program” is and not allow any exceptions.
- **Start Over** – When developing the chart of accounts, the organization should start fresh and not concern itself initially with mapping back to the existing chart of accounts. The Town should be reviewing its actual organizational structure and operations and build the chart off of that rather than its existing chart of accounts. This will prevent the Town from replicating any problems with the old chart of accounts structure.
- **Start Simple and Build-Out Detail** – the Town should identify major categories within each segment and then work to build out detail. Again, this will help the organization take a fresh perspective to the chart of accounts and prevent any unnecessary replication of the old chart. For example, when developing the object code listing, the Town should first identify major object code categories and then work to define detail to the extent necessary. GFOA will work to identify major reporting structures and summary level accounts that can be further built out during the project.
- **Don't Store Unnecessary Data** - A well-developed chart of accounts will not require the frequent creation of new accounts. Most organizations attempt to keep the chart of accounts relatively simple and high level and then utilize other components of the system to further define the detail. This will lessen the amount of maintenance required on the chart of accounts. GFOA will identify information current found in the chart that may be more appropriately stored somewhere else and develop a strategy for chart of account use for future needs.

Task 3: Action Plan





Duration:	<ul style="list-style-type: none">• 1-2 Months
On-Site Presence	<ul style="list-style-type: none">• Approximately 25% Onsite
Deliverables	<ul style="list-style-type: none">• Plan of Action• Chart of Accounts

Task 4: Develop Request for Proposal (RFP)

In this phase, GFOA will develop a detailed Request for Proposals (RFP) document for the Town or multiple RFPs depending on the procurement strategy. The GFOA RFP format is designed to remove disparity between proposals and to provide as close to an apples-to-apples comparison as possible. In addition, GFOA develops all RFP's with the end goal in mind – a successful contract that mitigates risk and leads to a successful project.

GFOA has a template RFP that was specifically designed for ERP procurements and follows current best practices for public procurement. We have continually updated as required by changes in the ERP market and strive to reduce bias, provide proper focus on ERP risk areas, and facilitate effective decision making and contract negotiations. GFOA is also working to develop standardized functional requirements that serve as a baseline for a successful ERP implementation and provides accountability for major areas within a core system. We plan to work collaboratively with the Town's procurement team to include any terms and conditions from the Town's standard documents, decide on the procurement process, and ensure compliance with any other the Town requirements.

When complete, the RFP document will incorporate information developed with many of the other deliverables from this project including:

- 1) Guidelines / expectations for the procurement
- 2) Key Objectives / Goals / Critical Success Factors for the Project
- 3) Detailed project scope including future business process vision
- 4) Functional requirements
- 5) Interface definitions
- 6) Data conversion expectations
- 7) Detailed vendor response templates
- 8) Procurement terms and conditions

GFOA maintains a list of ERP vendors, implementation partners, and others in the industry. We will help publicize the Town's RFP to get the most competitive response.

A key part of the RFP will be the development of detailed functional requirements and overall business process expectations that will be important throughout the selection project and throughout implementation. For the processes that are determined to be in scope, GFOA consultants will work with the Town PIT Crew members to review, validate





and ultimately make decisions on the high-level to-be process definition and those requirements that will serve as a tool for accountability going forward.

GFOA focuses functional requirements development on business process and will prepare requirements in the form of testable use cases that will have value beyond the procurement phase. Functional requirements will be split into two categories. GFOA will use its baseline of standard functional requirements for governments. GFOA will then also work to develop unique requirements for the Town based on policies, future state business processes or any statutory or regulatory requirements. At each step in the business process we will determine both the system requirements and implementation requirements and document those using a Microsoft Excel template that is aligned to our process maps that will be included in the eventual RFP. Requirements development focuses on functional requirements that define “what” needs to be completed (such as tasks, outputs, interfaces, calculations, processing, etc.) and not on “how” the system or the organization handles tasks currently. This allows for future improvement and full utilization of the system tools and built in processes to make the Town more efficient.

At this stage in the process, it is important for the business process improvement decisions to be made so the RFP can present a clear direction for the Town’s project. While every ERP system has slightly different ways of completing business process transactions and the full business process can’t be defined at a fine level of detail without the assistance of system consultants, the overall direction and high-level understanding of the process is important to communicate.

It is expected then that the requirements serve as the base document that establishes a template for proposal comparisons, the scope of the implementation project, the base level criteria for user acceptance testing, and the standard for post implementation warranty.

Task 4: RFP Development

Duration:	<ul style="list-style-type: none">• 1-2 Months
On-Site Presence	<ul style="list-style-type: none">• Approximately 25% Onsite
Deliverables	<ul style="list-style-type: none">• RFP Document• Functional Requirements

Task 5: Identify Evaluation Criteria

GFOA’s system selection and procurement methodology relies on principles of fairness, attention to detail, and competition, yet remains flexible enough to adapt to local procurement laws or other unique situations. Our approach considers how best to use the procurement process to facilitate a statement of work and contract that holds the vendor accountable, ensures a quality implementation, and makes expectations clear.





In addition, the approach is continually enhanced by feedback from the hundreds of public sector clients that we work with, our own staff experience, and the vendor community. Recently, GFOA has been working to incorporate our research on decision architecture and behavioral science into our approach for ERP RFP evaluations. GFOA will work with staff from the Town to develop an evaluation strategy and work to define clear evaluation criteria. Once established, GFOA will prepare a guide for evaluators and conduct training alongside procurement staff from the Town.

Task 5: Identify Evaluation Criteria

Duration:	• 1 Month
On-Site Presence	• Minimal Onsite
Deliverables	• Evaluation Guidebook

Task 6: Selection of Vendor

Through defined steps, vendors will be evaluated and scored according to pre-defined criteria with the top vendors moving on to compete at the next step. Each step is an opportunity to negotiate terms, address risks, and provide methods for holding stakeholders accountable. Overall, our approach is focused on identifying and mitigating risks throughout the procurement process. GFOA's RFP template provides the opportunity to focus the evaluation on key risk factors in the implementation and separates actual proposal from marketing buzzwords. GFOA's standard evaluation process includes the steps described below.

Step 1: Proposal Assessment

Upon receiving the written proposals from vendors, the Town's project team will begin an assessment and analysis of all proposals. GFOA will assist with this assessment by reviewing proposals and providing high level comments on potential risks, issues, and any significant weaknesses/gaps and/or strengths. GFOA recommends that the Town incorporate an anonymous review for initial sections that can be evaluated without knowledge of the vendor name. This provides an opportunity to consider the merits of each proposal free from preconceived bias of evaluators.

GFOA has also learned over the years that it can be difficult to evaluate a best fit vendor or the proposal that provides the best value for the Town by only looking at a written response. Vendors are quite good at marketing in proposals and proposals may not actually reflect what it's like to work with a firm. GFOA's approach tries to mitigate this misleading presentation by providing multiple opportunities to meet the actual consultants who will be working on the project and supporting the relationship. GFOA will also structure the analysis to try and remove instances of evaluator bias or marketing misrepresentations from the vendors.





After conducting an initial review of anonymous portion of proposals, the Town will invite potentially viable solutions for a short virtual presentation (60 minutes). GFOA expects that the number of vendors elevated be based on the number of proposals the Town receives, but potentially could include 8-10 vendors. By providing each a short time to present their proposal, the Town will be able to evaluate what the differentiating features of each vendor's proposal actually are. It also will give the Town a chance to meet representatives for each firm.

After presentations are complete, GFOA and the Town's project team will complete the full proposal analysis, which now will include vendor names. GFOA can also leverage our extensive experience to compare each proposal to industry standards. All key findings will be documented in a brief proposal assessment report that identifies GFOA's findings. This report will also identify additional information that will be needed from vendors going forward.

GFOA expects that after reviewing proposals, the Town elevates a limited number of vendors for onsite demos/interviews.

Step 2: Software Demos and Team Interviews

GFOA staff will develop detailed demo scripts for each vendor. Demo scripts are based heavily on the requirements and business process decisions built in early tasks. Also, GFOA's approach to software demos provides a focus on implementation activities. GFOA believes that it is critical for vendors to explain HOW the software will be implemented along with the features of the software. The greatest system in the world will not be useful if it is not configured and implemented correctly to meet the needs of the organization.

Our approach to software demos and interviews differentiates GFOA and demonstrates our dedication to continually evolve our approach to a changing ERP market. As software features become more mature, it is less important for governments to evaluate "if" it will work. However, since most of the risk comes from implementation, we work through a series of business process case studies, sample "workshops," and implementation resource interviews to make sure you can effectively evaluate the knowledge and skills of the proposed implementation team.

GFOA will also facilitate a combination of remote and in-person demos and interviews with each vendor. In this role, GFOA would ensure compliance with the demo scripts, take notes, and point out differentiators. GFOA expects that after this first round of software demos and interviews, the Town elevate two vendors.

Step 3: Discovery

Discovery acts as another opportunity for the Town to clarify unresolved issues before it makes its final elevation. Prior to Discovery, GFOA will develop a Request for Clarification (RFC) letter for each vendor that was elevated. Then, during Discovery, each





remaining vendor is invited back on-site for one more day of presentation. During this presentation, any remaining issues with software functionality, implementation approach, data conversion, or scope are clarified and vendors are asked to make any necessary revisions to their proposal. The main focus of this session is to plan the implementation so that the Town and vendor can later develop a detailed statement of work. GFOA will facilitate the Discovery session for two proposal teams. Additionally, by clarifying outstanding issues at Discovery, development of the statement of work becomes easier. At the conclusion of Discovery, the Town will enter contract negotiations with one vendor.

Task 6: Selection of a Vendor

Duration:	<ul style="list-style-type: none">• 3-4 Months
On-Site Presence	<ul style="list-style-type: none">• 25-50% Onsite
Deliverables	<ul style="list-style-type: none">• Proposal Analysis• Initial Interview Facilitation• Demo Scripts and Facilitation• RFC/Discovery

Task 7: Contract Negotiations

GFOA will be involved with the negotiation of any applicable software license contract, software maintenance agreement, hosting / SaaS agreement or implementation services agreement (or multiple contracts if the Town selects multiple vendors) In addition, GFOA will lead the development of the statement of work using GFOA's statement of work template. Often ERP vendors will start development of their statement of work from a template that is focused on limiting scope, suggesting change orders, and confusing responsibility or accountability for project outcomes. GFOA's statement of work template follows the RFP and expectations for all proposals and will serve as a critical document throughout implementation that outlines responsibility for the implementation. GFOA will ensure that the Town's statement of work is defined to a fine level of detail to prevent any unnecessary issues or misunderstandings during implementation.

Also, for cloud contracts, it is essential that the Town identify and negotiate appropriate service level agreements and other contractual provisions that establish performance standards and identify role responsibility. GFOA will take the lead in establishing this documentation.

Task 7: Contract Negotiations

Duration:	<ul style="list-style-type: none">• 1-2 Months
On-Site Presence	<ul style="list-style-type: none">• Offsite
Deliverables	<ul style="list-style-type: none">• Software Agreement• Services Agreement





- Statement of Work
- Service Level Agreements
- Third Party Agreements

Task 8: Implementation Advisory Services

GFOA can provide a project oversight role throughout the Town's project and work with the Town and the Town's selected ERP vendor to achieve the Town's project goals. A project oversight role with GFOA will enable the Town to leverage the presence that GFOA has in the public sector technology industry, and will allow the Town to benefit from ERP implementation experience and research along with access to our nationwide membership network. GFOA will also continue our role as lead in contract negotiations for any contract amendments and project support to review milestones and invoices.

GFOA has past experience with project oversight on a variety of projects. We are familiar with the implementation approach proposed by most vendors and can use lessons learned to help avoid some of the challenges that previous clients have faced. We expect to provide these lessons learned as well as proactive management of issues to mitigate any risks to the Town's project.

Task 8: Implementation

Frequency	<ul style="list-style-type: none"> • Ongoing
On-Site Presence	<ul style="list-style-type: none"> • As Necessary
Deliverables	<ul style="list-style-type: none"> • Monthly Status Reports • Deliverable Review Reports • Business Process Recommendations • Other Reports As Necessary

Task 9: Sustained Change / Post Project Assessments

Approximately three to six (3-6) months, or as determined to be an appropriate timeframe after completion of the ERP project (or project phase), GFOA can return to provide a follow up assessment on implementation progress and provide an objective status update on project goals or change progress. GFOA would conduct meetings with stakeholders responsible for implementation and for customer departments most impacted by the implementation to gauge process or evaluate overall success with implementation.

It is expected that GFOA action plan will contain goals/objectives with performance measures to evaluate completion of milestones. GFOA will look at these measures, gather stakeholder input, and if necessary conduct a "mini-assessment" to provide





further recommendations that would enhance or help implementation overcome any present challenges. In the past, GFOA has also used a similar process to review ongoing governance structure, discuss next steps for future improvements, document lessons learned, or provide case study documentation for the project that can be shared.

Task 9: Post Project Reviews

<i>Frequency</i>	<ul style="list-style-type: none">• Ongoing
<i>On-Site Presence</i>	<ul style="list-style-type: none">• As Necessary
<i>Deliverables</i>	<ul style="list-style-type: none">• Post Project Review



Project Schedule

Below represents a typical project schedule or similar sized organizations. GFOA recommends a twelve month readiness phase for tasks 1-7. As part of the first task of the projects, GFOA will prepare a detailed schedule and can adjust the timeline to better meet the needs of the Town. Based on Town's preference, we have provided a sample timeline with start in July 2025, but would be available to start when the Town is ready.

Implementation of the core ERP system would then be expected for an additional 16-24 months (Although initial phases may go-live earlier and some extended scope may be deferred to later phases.)

Proposed Schedule	Project Start = September 2025															
	9	10	11	12	1	2	3	4	6	7	8	9	10	11	12	1
Task 1: Project Management																
Task 2: Process and System Assessment																
Task 3: Readiness Plan and Future Process																
Task 4: RFP Development																
Task 5: Evaluation Strategy																
Task 6: Vendor Selection																
Task 7: Contract Negotiations																
Task 8: Implementation																
Task 9: Post Project Review																

As part of the schedule, GFOA expects to complete working using a mix of remote and on-site meetings. Site visits would include conducting meetings, interviewing staff, conducting other data gathering, or facilitating discussions/workshops on the future plan.



Section III – Pricing

GFOA's pricing model is to identify a fixed fee for each deliverable. All travel and expenses are included in the fixed fee cost. GFOA will invoice for deliverables completed each month at the end of the month. Below is a standard list of deliverables for the project.

Task/Deliverable	Milestone	Price
1	Project Planning	
1-A	Project Management Documents	\$15,000
1-B	Project Management Execution*	\$15,000
2	System Analysis / Needs Assessment	
2-A	Detailed Process and System Analysis	\$50,000
2-B	Future State Process Documentation	\$35,000
3	Readiness Plan and Process Improvements	
3-B	Readiness Plan	\$10,000
3-C	Chart of Accounts	\$20,000
4	Develop RFP	
4-A	RFP and Requirements	\$15,000
5	Evaluation Strategy	
5	Evaluation Guidebook	\$7,500
6	Evaluation and Selection of Vendor	
6-A	Proposal Assessment	\$15,000
6-B	Demo Scripts and Facilitation	\$15,500
6-C	Request for Clarification / Discovery	\$12,500
7	Contract Negotiations	
7	Contract Negotiations	\$20,000
TOTAL NOT-TO-EXCEED PRICE for PHASE 1 and 2		\$230,500

7 + 8	Implementation Advisory Services / Post Project Assessment	
7	Services 750 hours at \$300/hour	\$225,000
TOTAL NOT-TO-EXCEED PRICE for PHASE 3		\$225,000

TOTAL PRICE FOR ALL PHASES		\$455,500
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Notes:





- Task/Deliverable 1-B will be invoice when the Town makes a selection of a finalist vendor and represents project management services through implementation.
- GFOA's proposal is based on rates of \$300 per hour. GFOA will honor a rate of \$300 per hour for all future work on this project, including any potential services provided through the end of the Town's ERP implementation project.
- If any milestones are not met or the Town elects to remove services for a task/deliverable, GFOA will not invoice for the applicable milestone. The Town is not required to use all services.
 - For Clarification: Phase 3 is optional and GFOA would be able to provide a more refined scope after the Town's ERP strategy and vendor are selected.
- *Note: GFOA's milestone pricing includes travel costs.*

Cost Options:

GFOA is open to scope alternations if the Town is interested in taking on additional responsibilities for the project. Below are standard options that GFOA has used on past projects to increase client involvement and reduce overall pricing. If the town is interested in moving forward with any of these options, GFOA would document approval from each project manager prior to completion of the services.

- **Option 1:** GFOA moves forward with a governance structure defined by the Town and does not provide deliverables listed in Task 1 for project planning.
 - Price Impact – Reduce 1-A from \$15,000 to \$5,000
 - Consideration – Not recommended. Project governance is critical to project success.
- **Option 2:** The Town provides GFOA process maps and documentation for GFOA to analyze. GFOA would comment and provide additional questions for the Town. For the image on page 11 of this proposal, GFOA would start with step 2.
 - Price Impact – Reduce 2A from \$50,000 to \$15,000
 - Consideration – Possible.
- **Option 3:** GFOA to provide Chart of Account Template and provides assistance as hourly rate
 - Price Impact: Unknown. 3-C changed to hourly rate (\$300/hour). Services not used are not invoiced.
 - Considerations – Could provide savings.
- **Option 4:** GFOA to does not provide proposal analysis, but provides high level comments.
 - Price Impact: Reduce 6-A to \$7,500





- Considerations: Unknown depending on proposal quality.

**EXHIBIT B
INSURANCE CERTIFICATE**



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/13/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Cook and Kocher Insurance Group 300 S. Northwest Highway Suite 208 Park Ridge IL 60068	CONTACT NAME: Marikate Mockler PHONE (A/C, No, Ext): (847) 692-9200 FAX (A/C, No): (847) 692-9299 E-MAIL ADDRESS: marikatem@cookandkocher.com																					
INSURED GOVERNMENT FINANCE OFFICERS ASSOCIATION 203 N. LASALLE ST., SUITE 2700 CHICAGO IL 60601	<table><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A:</td><td>Massachusetts Bay Insurance Company</td><td>22306</td></tr><tr><td>INSURER B:</td><td>Hanover American</td><td>36064</td></tr><tr><td>INSURER C:</td><td>AXIS - A AM Best Score</td><td>37273</td></tr><tr><td>INSURER D:</td><td>At-Bay - A- AM Best Score</td><td>15350</td></tr><tr><td>INSURER E:</td><td></td><td></td></tr><tr><td>INSURER F:</td><td></td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	Massachusetts Bay Insurance Company	22306	INSURER B:	Hanover American	36064	INSURER C:	AXIS - A AM Best Score	37273	INSURER D:	At-Bay - A- AM Best Score	15350	INSURER E:			INSURER F:		
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INSURER E:																						
INSURER F:																						

COVERAGES**CERTIFICATE NUMBER:** CL2572407628**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	ODCD641162	08/01/2025	08/01/2026	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y		ODCD641162	08/01/2025	08/01/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DED RETENTION \$	Y	Y	ODCD641162	08/01/2025	08/01/2026	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WZCD641154	08/01/2025	08/01/2026	<input checked="" type="checkbox"/> PER STATUTE E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Professional Liability (E&O) Claims Made Basis inc Tech E&O			P00100004033207	09/30/2024	09/30/2025	Retention: \$50,000 \$5,000,000


DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

It is agreed that the Government, its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Government are added as additional insured on a primary and non-contributory basis

A Waiver of Subrogation applies in favor of the additional insureds as required by contract

*30 Days Notice of Cancellation Applies

CERTIFICATE HOLDER**CANCELLATION**

Town of Castle Rock 100 N. Wilcox St Castle Rock, CO 80104	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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