

memo

To: Finance Committee/Full Board **(for submission at the Sept 24, 2024 meeting)**

From: Cynthia Muszynski, Prosecutor
Stacey Stewart, IV-D Program Child Support Investigator

Date: September 16, 2024

Re: MGT Impact Solutions, LLC, f/k/a MGT of America Consulting
Consulting Services Agreement re
Title IV-D Cooperative Reimbursement Program – 2024 (State of MI/DHHS Grant)

Comments: MGT performs the budgeting, reporting, processing of financials and timesheets, tracks deadlines, training, etc. through EGrAMS for the IV-D Child Support Program in the Prosecutor’s office, through the Office of Child Support/State of Michigan/DHHS. These functions are an essential part of fulfilling the requirements of this state mandated service that each county must provide.

The services that MGT provides enables the IV-D Child Support Investigator to focus on federal and state deadlines for child support and paternity case referral processing from the Office of Child Support. Without the services that MGT provides, it would be impossible for the department to maintain the exemplary service that it has for the past eight years without likely needing to double the staff in that department.

The current MGT Consulting Services Agreement is a 3-year contract, which expires on 9-30-2024. The current annual fees are \$5,000, billed quarterly (\$1,250/quarter). The new contract is a 1-year contract that renews automatically each year, unless it is terminated according to the contract terms. The new cost is \$6,000/year, billed quarterly (\$1,500/quarter). **NOTE: The IV-D grant, which covers the staff position, is reimbursed 66% by the State. Therefore, the actual expense realized by the County is 34%.**

Therefore, both parties are proposing the following for (renewal) approval of the new contract:
(See below table for cost details.)

<u>New Contract Begins</u>	<u>New Annual Cost</u>	<u>Additional Annual NET Cost to County</u>	
10/1/2024	\$6,000	\$340	
ANNUAL COMPARISON:	Current: \$5,000 State Reimb: \$3,300 Net County: \$1,700	Proposed: \$6,000 State Reimb: \$3,960 Net County: \$2,040	NET DIFFERENCE \$340

Also, MGT has been providing additional services during the current contract term (10-1-2021 through 9-30-2024), and will continue to do so.

The Prosecutor’s office is requesting that this committee approve a motion to enter into the contract with MGT for the amount of \$6,000/year starting 10-1-2024.

Attachment: Master Services Agreement



MASTER SERVICES AGREEMENT

THIS MASTER SERVICES AGREEMENT (“Agreement”) is entered into as of October 1, 2024 (“Effective Date”) between MGT Impact Solutions, LLC (“MGT”), with offices located at 4320 West Kennedy Boulevard, Tampa, FL 33609, and Alpena County, Michigan (“Client”), located at 719 W. Chisholm Street, Alpena, MI 49707, collectively referred to herein as the “Parties”.

WHEREAS, MGT offers global technological, educational, organizational and staffing consulting solutions services to the public and private sectors;

WHEREAS, Client anticipates a need within its organization for MGT’s services; and

WHEREAS, the Parties intend for this Agreement to serve as the governing, contractual basis of MGT’s provision of future project-level services to Client.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. THIS AGREEMENT AND STATEMENTS OF WORK. The Parties enter into this Agreement to set forth the general terms and conditions that will govern MGT’s provision of services to Client. Such services will be subsequently agreed upon by the Parties in individual Statements of Work (“SOW”).

Each SOW will state all details required for the proper provision of project-level services, including scope, pricing, period of performance, and other required information (“Services”) each an Exhibit A, Statement of Work, attached hereto and incorporated into the Agreement. Unless otherwise stated in an SOW, all Services shall be performed remotely. Each SOW will require signature by both parties to be effective.

2. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE. The contract documents consist of this Agreement and all exhibits, attachments, amendments, and SOWs subsequently executed by the Parties and all exhibits, attachments, amendments, and other documents made a part of the SOW (“Contract Documents”). Upon signature by the Parties, all SOWs executed during the Term shall be considered incorporated into and made a part of this Agreement.

In the event of a conflict among the terms and conditions in this Agreement and any SOW, unless that SOW expressly states the intention for the SOW to control with regard to the conflicting term or condition, then this Agreement shall control. Any terms or conditions contained in documents issued by Client other than the Contract Documents, including purchase orders, shall be voidable at MGT’s discretion.

3. TERM. The term of this Agreement shall commence on the Effective Date and will continue for a period of one (1) year or until terminated in accordance with this Agreement. This Agreement will automatically renew for additional one (1) year terms unless terminated by either party at least thirty (30) days prior to the expiration date.

4. TERMINATION. This Agreement or any individual SOW may be terminated with cause by either party: (a) if the other party materially breaches the terms of this Agreement and fails to cure the breach within thirty (30) calendar days following written notice specifying the breach, or (b) immediately upon written notice if the other party fails to comply with applicable law or regulation.



5. **INSURANCE.** During the Term of this Agreement and any SOW, MGT will maintain the minimum insurance coverages below. MGT shall provide Certificates of Insurance to Client upon request and as required under SOWs.

a.	Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 annual aggregate
c.	Business Automobile Liability	\$1,000,000 combined single-limit, non-owned and hired. (MGT does not own autos)
d.	Umbrella/Excess Liability	\$10,000,000 per occurrence & aggregate, follows form
e.	Worker's Compensation	Per Statute
f.	Employer's Liability	\$1,000,000 each accident
f.	Professional Liability	\$6,000,000 aggregate

6. **INDEMNIFICATION.** To the extent permitted by law, each Party shall fully defend, indemnify and hold harmless the other Party and its officers, directors, employees, agents, representatives, successors and assigns (collectively, "Indemnified Parties") from any and all claims, demands, causes of actions, costs, expenses, liability, losses, or damages including attorney's fees and expenses ("Claims"), whether in law or in equity, for bodily injury, death or property damage arising out of, relating to or caused by, in whole or part, the negligence, errors, omissions or willful misconduct of the indemnifying party or its officials, officers, employees, subcontractors, consultants or agents, relating to or connected with performance under this Agreement, unless Claims are caused wholly by the sole negligence or willful misconduct of the Indemnified Parties.

A Party's indemnity obligations under this Section are contingent upon the indemnified party: a) promptly notifying indemnifying party of each claim; provided, however, that the indemnified Parties failure to give prompt notice to the indemnifying party of any such claim shall not relieve the indemnified party of any obligation under this Section except and to the extent that such failure materially prejudices the indemnifying party's ability to defend against such claim; b) providing the indemnifying party with sole control over the defense and/or settlement thereof, provided however, that indemnifying party shall not settle any claim that includes an admission of wrongdoing by indemnified parties or otherwise adversely affects indemnified parties' interests without prior consent; and c) at the indemnifying party's request and expense, providing full information and reasonable assistance to the indemnifying party with respect to such claim.

7. **LIMITATION OF LIABILITY.** MGT shall not be held liable for factors outside of its reasonable control, including losses or damages as a result of Client's provision of inaccurate data, or changing laws, regulations, political conditions.

TO THE EXTENT PERMITTED BY LAW AND EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, REVENUE, DATA OR DATA USE, OR LOSS OR INTERRUPTION OF BUSINESS, ARISING OUT OF ANY OF THE TERMS OR CONDITIONS OF THIS AGREEMENT OR WITH RESPECT TO ITS PERFORMANCE HEREUNDER, WHETHER ARISING OUT OF BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY, STRICT LIABILITY OR ANY OTHER THEORY. THE FOREGOING LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES APPLIES EVEN IF A PARTY HAD OR SHOULD HAVE HAD KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES.



To the extent permitted by law, except for actions or claims resulting from MGT's gross negligence or intentional or willful misconduct, MGT's total aggregate liability to Client shall be limited to the amount of compensation paid by Client to MGT under this Agreement in the twelve (12) months prior to the action giving rise to liability.

8. GOVERNING LAW, JURISDICTION AND CONSENT TO SUIT. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the state of Florida, irrespective of the choice of laws principles of the state of Florida, as to all matters including validity, construction, effect, enforceability, performance, and remedies. Client submits itself and its property in any legal action or proceeding relating to this Agreement to the exclusive jurisdiction of any state or federal court within Hillsborough County, Florida and Client hereby accepts venue in each such court.

9. DISPUTE RESOLUTION PROCEDURE. In the event of a dispute, controversy or claim by and between the Parties arising out of matters related to this Agreement, the Parties will first attempt in good faith to resolve through negotiation any such dispute, controversy, or claim. Either party may initiate negotiations by providing written notice to the other party setting forth the subject of the dispute and the relief requested. The recipient of such notice will respond in writing within five (5) business days with a statement of its position on, and recommended solution to, the dispute. If the dispute is not resolved by this exchange of correspondence, then senior management representatives of each party with full settlement authority will meet at a mutually agreeable time and place within fifteen (15) business days of the date of the initial notice to exchange relevant information and perspectives and to attempt to resolve the dispute.

If the dispute is not resolved by negotiation, either party may commence mediation by written request to the other party. The Parties will cooperate in selecting a mediator and in scheduling the mediation proceedings. The mediation shall take place in Tampa, Florida. The Parties will participate in the mediation in good faith and will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by either of the parties, their agents, employees, experts or attorneys, or by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties; provided, however, that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

Either party may seek equitable relief prior to the mediation to preserve the *status quo* pending the completion of that process. Except for such an action to obtain equitable relief, neither party shall commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, at which time suit may be brought in any court of competent jurisdiction. The prevailing party shall be entitled to an award of all reasonable costs, expenses, and attorneys' fees. In addition, should the dispute under this Agreement involve the failure to pay fees, and the matter is not resolved through negotiation or mediation, Client shall pay all costs of collection, including, but not limited to, MGT's legal fees and costs should MGT prevail.

10. CONFIDENTIALITY. Each party shall maintain in confidence and protect from unauthorized disclosure all information exchanged between the Parties that is reasonably understood under the circumstances to be confidential, whether disclosed orally, in writing or marked as confidential ("Confidential Information").

The receiving party shall make all reasonable efforts to protect Confidential Information from disclosure to unauthorized third parties. Confidential Information may be disclosed to third parties with a need-to-know under the circumstances and who are bound by confidentiality obligations no less restrictive than



those herein. Neither party shall use such Confidential Information except in performance of the Services. MGT may, however, disclose Client's name and the general nature of MGT's work for Client sales proposals.

The above obligations of confidentiality shall not apply to the extent that the receiving party can show that the relevant information (a) was at the time of receipt already in the receiving party's possession; (b) is, or becomes in the future, public knowledge through no fault or omission of the receiving party; (c) was received from a third-party having the right to disclose; or (d) is required to be disclosed by law.

11. FORCE MAJEURE. Neither party shall be liable or considered at fault for any delay (except for payment) resulting from circumstances beyond the party's reasonable control, including but not limited to fire, flood, earthquake, elements of nature, epidemics, global pandemics, quarantines, acts of God, acts of war, labor disputes, and supply chain disruptions ("Excusable Delays"). The delayed party shall notify the other party in writing upon the discovery of any significant Excusable Delay. During an Excusable Delay, the delayed party shall use reasonable efforts to mitigate costs and damages and to resume performance under this Agreement.

The Parties recognize that MGT's ability to timely perform under a SOW is contingent upon Client's timely provision of any agreed-upon data, personnel access, or other requirements. If Client's failure to provide to such data, access or other requirements causes significant delays to MGT's progression of Services, and MGT incurs losses or damages as a result, then the Parties shall negotiate and execute a SOW amendment for an equitable adjustment to the schedule and for additional costs. MGT shall provide all substantiating documentation of costs reasonably requested by Client in consideration for any equitable adjustment. Excusable Delays shall not give rise to an equitable adjustment.

12. FEES AND PAYMENT. Unless otherwise set forth in a SOW, all correct invoices submitted by MGT to Client shall be due and payable upon receipt. If Client disputes an invoice or portion thereof in good faith, then Client shall pay any undisputed portion and provide MGT with written notice of the dispute, in reasonable detail, and the Parties shall promptly meet to resolve such dispute. MGT reserves the right to impose an interest charge equal to the lesser of one and one-half percent (1.5%) per month or the maximum allowable by law in respect of any invoice which is outstanding for more than thirty (30) days. MGT may stop work after sixty (60) days of Client's non-payment of undisputed invoiced amounts.

13. MODIFICATION. This Agreement and any SOW shall only be modified by written amendment signed by the Parties. All signed amendments shall be deemed incorporated into this Agreement by reference.

14. NON-SOLICITATION. During the term of this Agreement and for a period of two (2) years following termination or expiration, neither party shall knowingly, directly or indirectly, solicit nor encourage the solicitation of any person who is, or was within a 12-month period prior to such solicitation, an employee of the other party or its affiliates that became known to the other party as a result of this Agreement, except with the prior written consent of the other party. This provision shall not restrict the right of either party to solicit by public advertisement.

15. ASSIGNMENT. Neither party may assign any rights nor delegate any duties or obligations under this Agreement without the express written consent of the other party. Notwithstanding the foregoing, MGT, or its permitted successive assignees or transferees, may assign or transfer this Agreement or delegate any rights or obligations hereunder without consent: (i) to any entity controlled by, or under common control with, MGT, or its permitted successive assignees or transferees; or (ii) in connection with a merger, reorganization, transfer, sale of assets or change of control or ownership of MGT, or its permitted successive assignees or transferees.



16. INDEPENDENT CONTRACTOR. It is expressly understood that at all times, while rendering the Services, MGT is acting as an independent contractor and not as an officer, agent, or employee of the Client. MGT shall not be required to keep specific work hours (except in the case of specific hours required under employee leasing contracts), equipment, or a specific office, and shall use independent means and methods for performing the Services. For all purposes, including Medicare, Social Security taxes, the Federal Unemployment Act (“FUTA”), income tax withholding, worker’s compensation, and unemployment insurance, MGT, its personnel and contractors will be treated and deemed independent contractors and not employees of Client.

17. NON-DISCRIMINATION/EQUAL EMPLOYMENT PRACTICES. Neither party shall unlawfully discriminate or permit discrimination against any person or group of persons in any matter prohibited by federal, state, or local laws. During the performance of this Agreement, neither party or their employees, agents, or subcontractors, if any, shall discriminate against any employee or applicant for employment because of age, marital status, religion, gender, sexual orientation, gender identity, race, creed, color, national or ethnic origin, medical conditions, physical disability, or any other classifications protected by local, state, or federal laws or regulations. The parties further agree to be bound by applicable state and federal rules governing equal employment opportunity and non-discrimination.

18. NOTICES. All legal notices required by this Agreement are deemed to have been given when notices are both (1) delivered by email to the email address below, and (2) following such email delivery, a mailed copy of the notice is delivered to the mailing address below.

To MGT:

Name: MGT Impact Solutions, LLC
 ATTN: Legal Notice/Contracts
 Address: 4320 West Kennedy Blvd.
 Tampa, FL 33609
 Email: contracts@mgt.us

To Client:

Name: Alpena County, Prosecuting Attorney
 ATTN: Cynthia Muszynski
 Address: 719 W. Chisholm Street,
 Alpena, MI 49707
 Email: muszynskic@alpenacounty.org

If the email address and mailing address is incomplete for a party, then notice shall be mailed to the address on the first page of this Agreement.

19. SEVERABILITY. If any provision of this Agreement shall be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof, but such illegal or invalid provision shall be fully severable, and this Agreement shall be interpreted and enforced as if such illegal or invalid provision had never been included herein.

20. COUNTERPARTS AND EXECUTION. This Agreement and any SOW may be executed in counterparts, each of which when so executed shall be deemed an original and all of which together shall constitute one and the same instrument. The counterparts may be executed by electronic signature and delivered by scanned signature or other electronic means by any of the parties to any other party and the receiving party may rely on the receipt of this Agreement so executed and delivered as if the original had been received.

21. SURVIVAL. The sections Term, Termination, Insurance, Indemnification, Limitation of Liability, Governing Law, Jurisdiction, Consent to Suit, Dispute Resolution Procedure, Confidentiality, and Non-Solicitation, of this Agreement and the payment obligations described in any SOW shall survive



the termination or expiration of the Agreement or SOW.

22. ENTIRE AGREEMENT. This Agreement and all exhibits constitute the entire and only agreement between the Parties. Each party acknowledges that in entering into this Agreement it has not relied on any representation or undertaking, whether oral or in writing, except for those expressly stated herein. Any purchase order provided by the Client will be limited by, and subject to, the terms and conditions of this Agreement.

23. NON-EXCLUSIVITY. This Agreement is non-exclusive, and both Parties remain free to enter into similar agreements with third parties. During the term of this Agreement, MGT may perform Services for any other clients, persons, or companies as MGT sees fit, so long as the performance of such Services does not interfere with MGT's performance of obligations under this Agreement, and do not create a conflict of interest.

24. THIRD PARTY BENEFICIARIES. Except as specifically set forth herein, nothing in this Agreement is intended or shall be construed to confer upon any person or entity, other than the parties hereto and their successors or assigns, any rights or remedies under or by reason of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Master Services Agreement.

MGT IMPACT SOLUTIONS, LLC

ALPENA COUNTY, MICHIGAN,

Name:

Name:

Title:

Title:

Date:

Date:



EXHIBIT A STATEMENT OF WORK

As of October 1, 2024, (“Effective Date”), **MGT Impact Solutions, LLC (“MGT”)** and **Alpena County, Michigan (“Client”)** execute this Statement of Work (“SOW”) pursuant to the Master Services Agreement between the Parties dated October 1, 2024, (“Agreement”).

1. PROJECT

MGT shall provide Title IV-D claiming services to the Alpena County Prosecuting Attorney’s Office in accordance with the following Scope of Services in Section 2.

2. SCOPE

MGT shall

- Prepare the Client's annual Title IV-D Cooperative Reimbursement Program (CRP) application through EGrAMS for funding from the Michigan Department of Health and Human Services - Office of Child Support (OCS).
- Prepare the monthly Title IV-D claiming invoices through EGrAMS with all supporting documentation required for reimbursement under the Title IV-D (CRP) program.
- Develop and maintain all required depreciation schedules for equipment purchases over \$5,000.
- Providing Client with periodic status of budgetary positions and provide pro-active assistance in the preparation and presentation of all required budgetary amendments and line-item transfers required by the OCS under terms specified by the State of Michigan.
- Provide technical assistance in response to all audits performed on the Client's CRP program, whether by the Client's auditor or the OCS auditor.
- Provide technical assistance to the Client as required to identify policies and procedures to assist in compliance with the various state and federal policies regarding the proper reporting and accounting for the Title IV-D Child Support program.
- Assistance with completing/submission of various reports in EGrAMS during the year including, but not limited to: User Verification Report, Tax Data Confidentiality Questionnaire, Obligation Report, Security Assessment, LIT's, Amendments, Annual CRP Budget.
- Guidance in setting up users in EGrAMS for approval and submissions.

MGT shall also provide an automated time log processing service to the Client, including providing the following services:

- Assist the client in the identification of those staff members required to participate in the State of Michigan - Office of Child Support (OCS) daily time studies. Assisting the Client in reviewing job descriptions, organization charts and other documents used in the determination of the staff members covered by the time study mandate.



- Develop the various categories to be identified by the time study and to be collected by the client. Develop the data base necessary to track identified employees and the programs or tasks to be Identified with the automated system. To "pre-populate" the automated timesheets for distribution prior to the beginning of the month covered by the subject timesheets.
- Provide phone support to the Client during the time period responding to any questions from either the Client or the Client's staff members regarding the subject timesheets and their proper completion.
- Upon receipt of the completed timesheets, MGT will process each sheet and identify the percentage of effort spent on the various identified programs of each employee subject to the guidance provided by the OCS and the Client.
- MGT will provide the Client with a monthly recap of the staff members covered by the time study including cumulative averages for use in the budget monitoring process and any subsequent budget preparation calculations.

3. PERIOD OF PERFORMANCE/PROJECT TIMELINE

The term of this Statement of Work begins on the Effective Date and terminates when either party gives notice of termination in accordance with Section 3 of the Agreement.

The Services shall be performed, and the products of the Services shall be delivered in such a manner to meet the State of Michigan – Office of Child Support’s deadlines as shall be established by the State and adjusted by the State from time to time.

4. COMPENSATION AND REIMBURSABLE EXPENSES

A. Fee. The flat fee for the Services described above is \$6,000.00 per year, beginning on October 1, 2024, and continuing annually unless the Agreement is terminated in accordance with Section 3 of the Agreement, or is modified by a new SOW. In the event of changes in scope or compensation, a new SOW will be executed by both parties and shall replace the existing SOW.

B. Expenses. If MGT is required to travel for provision of Services, MGT must obtain prior written authorization from Client for reimbursement of actual expenses.

5. INVOICING AND PAYMENT

MGT will invoice quarterly 25% of the annual payment.

Payments are due within thirty (30) days of receipt of invoice.

Signatures appear on the following page.



MGT IMPACT SOLUTIONS, LLC

ALPENA COUNTY, MICHIGAN

Name: _____

Name: _____

Title:

Title:

Date:

Date: