

AGREEMENT FOR CONSULTANT SERVICES

By and Between

SAUGUS UNION SCHOOL DISTRICT

and

AssetWorks

For Fixed Asset Inventory and Verification Service

Dated as of April 19, 2017

AGREEMENT FOR CONSULTANT SERVICES

This Agreement for Consultant Services ("Agreement") is made effective as of April 19, 2017 ("Effective Date") by and between the Saugus Union School District ("District"), a public school district organized and existing pursuant to California law, and AssetWorks LLC, ("Consultant"), a Delaware limited liability company. The District and the Consultant may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. The District desires to obtain the services of a consultant that can assist the District with respect to Fixed Asset Inventory and Verification Services associated with District's agency-wide inventory project ("Project"). The sites where the Project will be located ("Project Site") are all within the District's boundaries in the County of Los Angeles, California.

B. The Parties have entered into this Agreement for the purposes of setting forth the terms and conditions for the Consultant to perform the Consultant Services for the District.

Now therefore, and in consideration of the foregoing and of the respective rights and obligations of the Parties set forth herein, the Parties agree as follows:

AGREEMENT

PART 1: CONSULTANT SERVICES

Section 1.1 Scope of Services. The scope of the Consultant Services to be performed by the Consultant pursuant to this Agreement ("Scope of Services") include any and all labor, work, and other things necessary to complete the services described in Exhibit "A", attached to this Agreement. Exhibit A, Attachment 1, is AssetWorks proposal dated February 7, 2017, which proposal is incorporated herein by reference.

Section 1.2 Time for Completion. Time is of the essence with respect to this Agreement and the performance by the Consultant of each of its obligations pursuant to this Agreement. The Consultant must fully and satisfactorily complete all of the Consultant Services not later than August 31, 2017. The Parties may agree in writing to an extension of time for completion by the Consultant of the Consultant Services. Within ten days after the Effective Date, the Consultant must prepare and provide to the District a proposed schedule for performance of all significant activities comprising the Consultant Services, with portions of the total compensation payable to the Consultant pursuant to this Agreement allocated to each of such activities ("Schedule of Values"). The Schedule of Values is subject to written approval by the District, which approval the District shall not unreasonably deny, delay or condition, and a primary purpose of the Schedule of Values is to permit the District to project the timing for payments to the Consultant. In the event the Scope of Services is modified in accordance with this Agreement, the Consultant must, within ten days thereafter, update the Schedule of Values and provide it to the District for approval as provided in this Section.

Section 1.3 Change in Scope of Services. The District may at any time request any reasonable increase, decrease, or other change in the Scope of Services to be performed by the Consultant pursuant to this Agreement. In response to any such request, the Consultant must provide to the District a written proposal that describes in reasonable detail: (i) the change; (ii) the impact of the change on the time required for performance of the Consultant's obligations pursuant to this

Agreement; and (iii) the impact of the change on the cost to the District for the performance of the Consultant's obligations pursuant to this Agreement. Each proposal shall set forth any proposed adjustment to the compensation payable to the Consultant using such basis (fixed fee, time and materials, *et cetera*) as requested by the District. Upon receipt of a proposal, the District may approve, disapprove, or attempt to negotiate modifications to, the proposal; provided that no proposal shall be deemed effective, and no compensation payable to the Consultant pursuant thereto, unless and until the proposal is approved by the Board of Education of the District ("District Board"). However, regardless of whether the District has obtained District Board approval of any proposal, if the District has requested that specific Consultant Services be deleted from the Scope of Services, in no circumstances shall the Consultant perform such Consultant Services unless further directed to do so in writing from the District. If the Parties are unable to agree on and document the terms and conditions for any change in the Scope of Services required by the District, the District may use the time and allocation of compensation specified in the Schedule of Values, or pro-rata portions thereof, to determine the adjustments attributable to any reduction in the Scope of Services. Otherwise, the time for performance of the modified Scope of Services and the compensation to the Consultant for performance of such modified Scope of Services shall be equitably adjusted as determined through any dispute resolution method authorized pursuant to this Agreement.

Section 1.4 Consultant Compensation. The District shall pay to the Consultant, in exchange for satisfactory performance by the Consultant of the Consultant Services required pursuant to this Agreement such compensation as is specified in Exhibit "B" attached to this Agreement ("Consultant Fee"). The Consultant Fee shall be payable to the Consultant based on allocation of portions of the Consultant Fee to the various separate activities set forth in the Schedule of Values and, with respect to each such activity, upon satisfactory completion of such activity. The Consultant Fee shall be deemed and construed for all purposes to be all-inclusive compensation for any and all Consultant Services, and the Consultant shall in no event be entitled to any reimbursement whatsoever of any expenses incurred by the Consultant in connection with the performance of the Consultant Services other than as provided in Section 1.5 herein.

Section 1.5 Reimbursement of Expenses. The Consultant shall not be entitled to reimbursement of any expenses that it incurs in connection with performance of the Consultant Services other than as provided in this Section. Any reimbursement pursuant to this Section shall be in addition to the compensation specified in Section 1.4 of this Agreement, and shall be for the reasonable, actual costs incurred by the Consultant, without any markup. A condition precedent to reimbursement of expenses is that the Consultant must obtain the District's written approval of each such expense prior to the expense being incurred by the Consultant, and the District shall not unreasonably deny, delay or condition any such approval. Without limiting the foregoing, in no event shall the District be required to reimburse the Consultant for any of the following: (i) home-office overhead or personnel costs; (ii) supplies, materials, equipment, tools, technology, and other items required for performance of the Consultant Services; (iii) postage or cost of private delivery services less than \$25 for any one delivery; (iv) salary, benefits, travel, lodging and/or meal expenses of any person; (v) expenses of overtime work requiring higher than regular rates; or (vi) costs of any additional insurance coverage or limits in excess of that normally carried by the Consultant or any of its contractors or consultants that provide professional services in connection with this Agreement (each a "Subconsultant").

Section 1.6 Consultant Invoices. On or about the fifth day of each month following a month in which the Consultant performed Consultant Services for the District, the Consultant shall provide an invoice to the District seeking payment for the portion of the Consultant Fee earned and, subject to Section 1.5 herein, for reimbursement of expenses incurred during the preceding one-month period.

Any and all invoiced amounts are subject to verification by the District. The Consultant must in each invoice specifically describe the basis or bases for the amounts requested and shall submit with the invoice such documentation as reasonably, specifically, and adequately evidences and supports the amounts specified in the invoice. If an invoice requests payment for Consultant Services provided on a time-and-materials or other hourly-rate basis, the documentation to be submitted by the Consultant in support of the invoice must also include an itemization of the amount of time spent by each person performing the Consultant Services and the work accomplished by such person during such time. The District shall pay the undisputed portion of each such invoice within thirty days after receipt of the invoice. However, within ten days after receipt of any invoice from the Consultant, the District may request in writing that the Consultant provide additional information relating to some or all of the amounts specified in the invoice, and, in such event: (i) the Consultant shall provide such information to the District within five days following receipt of the District's request; and (ii) if the Consultant does not provide such information within such five-day period, the date by which the District must pay such amounts to the Consultant shall be extended for each day or portion of day in excess of the applicable five-day period, until such time as the Consultant provides the requested additional information to the District.

PART 2: ADMINISTRATION OF AGREEMENT AND CONSULTANT SERVICES

Section 2.1 Consent Required to Use Subconsultants. The Consultant may use a Subconsultant to perform a portion of the Consultant Services only upon written consent of the District provided in advance of the Consultant contracting with such Subconsultant. The District, in its sole discretion, may deny, delay and/or condition its approval of the use of any one or more proposed Subconsultants.

Section 2.2 Authorized Representatives. The Consultant must designate in writing to the District not more than one person from its staff ("Consultant Representative") and one person from the staff of each of its Subconsultants (each a "Subconsultant Representative"), each of whom shall be: (i) the District's sole contact persons for the entity he or she represents for purposes of administering this Agreement; and (ii) responsible for and conduct any and all communications and other interactions between the entity he or she represents and the District. The Consultant Representative must have (through delegation or otherwise) all authority required to make any and all decisions on behalf of Consultant relating to the administration of this Agreement and the performance of the Consultant Services. Likewise, each Subconsultant Representative must have (through delegation or otherwise) all authority required to make any and all decisions on behalf of the Subconsultant relating to the portion of the Consultant Services that the Subconsultant is to perform. The Consultant Representative and each Subconsultant Representative must provide to the District their respective names, titles, telephone numbers, and other contact information. At all times prior to full completion of the Consultant Services, the Consultant Representative and Subconsultant Representatives must be reasonably available to District representatives, by telephone, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, and at such other times as they and the District may agree.

Section 2.3 Student Safety. If, at any time prior to completion of the Consultant Services, the District determines that there may be more than limited contact between any Consultant or Subconsultant personnel and any minor-aged District student, the District in its sole discretion may require that the Consultant comply with District requirements intended to ensure student safety, including, without limitation: (i) requiring that such personnel be accompanied, at all times while on District property, by District personnel; or (ii) requiring compliance with the background-check requirements of Education Code Section 45125.1, regardless of whether such requirements otherwise

would apply to the Consultant Services. In the event such background-check requirements are made applicable, the Consultant, at its sole cost and expense, and without additional compensation from the District, must: (i) comply with all California Department of Justice guidelines and requirements with respect to fingerprinting of the Consultant's and any Subconsultant's officers, employees, agents, or other representatives who will or might be present on or at the Project Site; and (ii) complete, execute and, prior to performing any further Consultant Services at the Project Site, deliver to the District the "Certification Regarding Employee Background Checks" form attached as Exhibit "C" to this Agreement.

Section 2.4 Independent Contractor. The Consultant is, for any and all purposes of or related to this Agreement, an independent contractor to the District. In no circumstances shall the Consultant or any of its Subconsultants, or any officer, employee or agent of either, be deemed or construed to be an officer, employee or agent of the District on account of this Agreement. The Consultant must at all times conduct its activities in a manner consistent with its status as an independent contractor to the District, and, except as provided in this Agreement, the Consultant shall have the right to determine the methods, means and mechanisms by which it shall perform the Consultant Services. The Consultant shall not suffer or permit any third party (whether person or entity) to continue in any apparent belief that the Consultant or any of its Subconsultants, or any officer, employee or agent of either, is an officer, employee or agent of the District. The Consultant shall be responsible for ensuring compliance with all laws related to its employees and the employees of any Subconsultant, including, without limitation, laws relating to workers' compensation and, if applicable, payment of prevailing wages. The compensation payable to Consultant hereunder shall not be increased as a result of any costs incurred by Consultant that are attributable to such compliance.

Section 2.5 Prohibited Interests. The Consultant hereby acknowledges that, as a consultant to the District and subject to the rights of the Consultant pursuant to this Agreement, the Consultant has a duty of fidelity to the District and a fiduciary responsibility to put the interests of the District above the interests of the Consultant. The Consultant hereby represents and warrants that: (i) the making of this Agreement shall not result in the Consultant or any person under the Consultant's control having any conflict of interests pursuant to Government Code Section 1090 or the California Political Reform Act (Government Code Section 87100 *et seq.*); (ii) it has not employed or retained any company or person (excepting any bona fide employee working solely for Consultant) to solicit or otherwise cause the District to enter into this Agreement; and (iii) it has not paid, agreed to pay, or otherwise provided to, any company or person, including, but not limited to, any District officer, employee or agent (but excepting any bona fide employee working solely for Consultant), any fee, commission, percentage, brokerage fee, gift, favor, or other consideration contingent upon or resulting from the District entering into this Agreement.

Section 2.6 Consultant and Subconsultant Capability. The Consultant represents and warrants that: (i) it has any and all licenses, certifications, and approvals as are required by law to permit the Consultant to enter into this Agreement and perform the Consultant Services; (ii) any and all Subconsultants performing any of the Consultant Services shall be qualified to perform the tasks, duties and responsibilities assigned to them by the Consultant, and shall be licensed to practice in their respective professions to the extent required by law; (iii) any and all persons who will provide or perform the Consultant Services, including, without limitation, all employees of any Subconsultants, shall have the qualifications, technical skills and experience required to perform the Consultant Services in an efficient, timely, and satisfactory manner; and (iv) the Consultant has sufficient financial, personnel, and other resources to adequately and timely perform the Consultant Services as required pursuant to this Agreement.

Section 2.7 Required Standard of Care. The Consultant must perform or cause to be performed all Consultant Services using such levels of care as: (i) is consistent with the reasonable level of care employed by other consultants providing similar services to school districts within the State of California ("State") in similar circumstances; and (ii) takes into consideration the District's goals and any facilities, financial, or other constraints or parameters described to the Consultant either before or after the Effective Date. Upon request of the District, the Consultant must remove from the Project Site, if applicable, and prevent from performing any of the Consultant Services, any person whom the District has determined is not performing the Consultant Services in accordance with the required standard or otherwise in a reasonable manner, or is a threat to the safety of any person(s) or Property, and the Consultant shall not thereafter use such person for or in connection with performance of any of the Consultant Services.

Section 2.8 Compliance with Laws and District Requirements. The Consultant must perform the Consultant Services in compliance with all applicable federal, State and local laws, regulations, ordinances and other governmental requirements. The Consultant shall be responsible for ensuring that each of the Consultant's and Subconsultant's employees and other representatives who enter in and upon the Project Site or other District property fully comply with: (i) all District rules, policies or other requirements applicable to presence on District property (including, but not limited to, policies prohibiting the use of drugs, alcohol, and tobacco); and (ii) reasonable directives from District representatives.

Section 2.9 Reliance on District Information. The Consultant shall be entitled to rely on the accuracy and completeness of any and all information provided to the Consultant by the District, subject to any qualifications or limitations on such information as the District may describe, and provided that the Consultant may so rely only if it would be reasonable to do so.

Section 2.10 Consultant Records. The Consultant must prepare and maintain, in accordance with generally accepted accounting principles, all financial and other records related to this Agreement and to the Consultant Services as necessary, appropriate or required by law ("Consultant Records"). Pursuant to Government Code Section 8546.7, the State Auditor has the right, for a period of three years following final payment, to review, audit and/or copy records of the contracting parties with respect to each contract providing for expenditure of public funds in excess of \$10,000. The District and other governmental entities with competent jurisdiction also shall have an independent right pursuant to this Agreement, for a period of four years following final payment, to review, audit and/or copy the Consultant Records. The Consultant must make the Consultant Records available for inspection by the District, the State, and any other governmental entity with competent jurisdiction, at all reasonable times during the four-year period following final payment to the Consultant pursuant to this Agreement; provided that, if the District or any other governmental entity commences, but does not complete, an audit within such four-year period, the Consultant must maintain the Consultant Records until such time as the audit has been completed.

Section 2.11 Ownership and Use of Documents. Any and all working documents, original or reproducible transparencies, presentations, computations and other documents, in whatever format or storage medium, obtained or prepared by the Consultant or any Subconsultant pursuant to this Agreement (collectively, "Service Documents") are and shall remain the property of the District. Except for purposes of this Agreement, and except for copies to be retained as part of the Consultant Records, the Consultant shall not permit reproductions to be made of any of the Service Documents without the written approval of the District. The District may use the Service Documents as the District deems appropriate, with no compensation due to Consultant except as provided in this Agreement. The

District shall have the unconditional right to use the Service Documents, for their intended purposes and, at District's sole discretion, for any other purpose, with no additional compensation due to Consultant. Except as expressly agreed in writing, the District shall not be required to employ the Consultant in connection with any future use of the Service Documents. Notwithstanding anything to the contrary, the Consultant acknowledges and agrees that the District will rely on the accuracy and completeness of the Service Documents when used for their intended purposes. The District shall remove information identifying the Consultant from the Service Documents when using them for purposes not related to the Project and shall indemnify and hold the Consultant harmless with respect to any liabilities caused by District use of the Service Documents for such non-Project-related purposes.

PART 3: CONSULTANT INSURANCE

Section 3.1 Required Insurance. Prior to commencing any of the Consultant Services, the Consultant must procure at its sole cost and expense, and, during all periods as required by this Agreement, must maintain in effect, the insurance policies required pursuant to this Part 3. Such insurance policies include the following:

- (i) **General Liability Insurance.** A policy of commercial general liability insurance, written on an "occurrence" basis, providing coverage with a combined single limit of not less than \$1,000,000 for all activities conducted by Consultant pursuant to this Agreement ("General Liability Policy"). The General Liability Policy must include, without limitation, coverage for the contractual liability assumed by the Consultant pursuant to this Agreement.
- (ii) **Vehicle Liability Insurance.** A policy of business vehicle liability insurance, written on an "occurrence" basis, with a combined single limit of not less than \$500,000 per accident for bodily injury and property damage ("Vehicle Liability Policy"). The Vehicle Liability Policy must include coverage for owned, hired, and non-owned automobiles.
- (iii) **Workers' Compensation Insurance.** Workers' compensation insurance as required by State law. Notwithstanding the insurer rating standards set forth in this Agreement, coverage provided by the State Compensation Insurance Fund shall be deemed, with respect to the workers' compensation insurance, to satisfy such insurer rating standards.

Section 3.2 Duration of Insurance. The Consultant must maintain the insurance required pursuant to this Agreement in effect at least until the date that is one year following final payment to the Consultant pursuant to this Agreement.

Section 3.3 Claims Made Insurance. With respect to any insurance policies that the Consultant is to have in effect pursuant to this Agreement and that are permitted pursuant to this Agreement to be, and have been, written on a "claims made" basis: (i) the effective date of the coverage must be shown and must be prior to the Effective Date; (ii) the coverage must be maintained, and evidence of coverage must be provided, for at least five years following final completion and acceptance of the Project; (iii) if coverage is cancelled or renewed, and not replaced with another claims-made policy form with a retroactive coverage date that is prior to or the same as the date the original policy took effect, the Consultant must purchase extended-period coverage (tail) that provides coverage until a minimum of one year following final completion and acceptance of the Project; and (iv) a copy of any and all claims reporting requirements, for original and replacement policies, must be submitted to the District for review.

Section 3.4 Insurer Rating Standards. Except as the District may otherwise agree in writing, the Consultant's insurance policies required pursuant to this Agreement must be issued by one or more insurers licensed to do business in this State and having an A.M. Best Company rating of not less than "A-" (i.e., A minus) and a financial size category of "VIII."

Section 3.5 Additional Insureds. Each policy of insurance that the Consultant is required to have in effect pursuant to this Agreement, except for the workers' compensation insurance, shall name (or be endorsed to name) the District, the District Board and each individual member thereof, and the District's other officers, employees and agents, as additional insureds, to the extent of the Consultant's acts and omissions (whether constituting negligence or not) in connection with this Agreement. The additional insured endorsements must be ISO form CG 2010 11/85 or equivalent approved in advance by the District. For purposes of this Section, and without otherwise limiting the District's discretion to determine an equivalent to form CG 2010 11/85, a combination of ISO forms CG 2010 10/01 and CG 2037 10/01 shall be deemed an acceptable equivalent to ISO form CG 2010 11/85.

Section 3.6 Waiver of Subrogation. With respect to the District and other parties to be named additional insureds pursuant to Section 3.5 herein, the Consultant hereby waives, on behalf of its insurers, any and all rights to subrogation that any such insurer may acquire by virtue of the payment of any loss. Each of the General Liability Policy and the Vehicle Liability Policy must be endorsed with a cross-liability endorsement and a waiver of the insurer's rights of subrogation against the District and such other parties. The policy of workers' compensation insurance must be endorsed with a waiver of the insurer's rights of subrogation against the District and such other parties.

Section 3.7 Consultant Insurance is Primary. To the extent permitted by law, insurance policies required by this Agreement to be maintained by the Consultant shall be primary and non-contributing with respect to any insurance or self-insurance programs covering the District, the District Board or individual members thereof, or the District's other officers, employees or agents. The General Liability Policy and the Vehicle Liability Policy must be endorsed to provide that they are so primary and non-contributory.

Section 3.8 Deductibles and Self-Insured Retentions. Prior to commencing the Consultant Services, the Consultant must disclose in writing to the District any deductibles or self-insured retentions applicable to any of the insurance that the Consultant must have in effect pursuant to this Agreement. Any such deductibles or self-insured retentions are subject to discretionary approval by the District. At the option of the District, the Consultant either: (i) must cause the insurer to reduce or eliminate such deductibles or self-insured retentions with respect to claims arising in connection with this Agreement; or (ii) must provide a financial guarantee satisfactory to the District that guarantees payment of losses and related investigations, claim administration, and defense expenses. The applicable policies of insurance must be endorsed to permit the District to pay any such deductible or self-insured retention in the event the Consultant is the Subject of any bankruptcy proceeding (whether voluntary or involuntary) or otherwise is unable to, or does not, pay such amounts.

Section 3.9 Evidence of Coverage. Concurrent with execution and delivery of this Agreement, the Consultant must provide to the District such duly-authorized and executed certificates of insurance evidencing that the insurance policies to be maintained by the Consultant pursuant to this Agreement are in effect (each a "Certificate of Insurance"), together with a copy of each endorsement to such insurance as is required pursuant to this Agreement. The delivery of such Certificates of Insurance and endorsements shall be a condition precedent to the Consultant commencing any of the Consultant Services pursuant to this Agreement. The Certificates of Insurance shall identify those who

are to be named as additional insureds in accordance with this Agreement. The Certificates of Insurance must expressly require that the insurer notify the District not less than thirty days prior to any cancellation, termination, reduction in coverage, or expiration without renewal of any such insurance policy. Language to the effect that the insurer shall “endeavor” to provide such notice shall not be acceptable. The Consultant must provide updated Certificates of Insurance to the District for each renewal of an insurance policy that the Consultant is required to maintain pursuant to this Agreement.

Section 3.10 Review of Coverage. The District may at any time request that the Consultant provide a full and complete copy of any or all policies of insurance to be maintained by the Consultant pursuant to this Agreement, and the Consultant must provide a copy of each requested policy to the District within fourteen days of the District’s request. The District shall review the insurance policies, along with the Certificates of Insurance and endorsements also provided by the Consultant, to determine whether the Consultant’s insurance complies with the insurance-related requirements of this Agreement. However, no failure by the District to conduct such review, to properly or completely conduct such review, or to identify any non-compliance with this Part 3, shall be deemed or construed to relieve the Consultant from any of its obligations in regard to such insurance-related requirements. Notwithstanding anything else in this Agreement, any failure by the Consultant to comply with such insurance-related requirements shall be deemed a material breach by the Consultant of its obligations pursuant to this Agreement and not as a waiver of any such insurance-related requirement.

Section 3.11 Subconsultant Insurance. The Consultant shall require that each of its Subconsultants independently comply with all requirements of this Part 3 relating to insurance covering their activities for the benefit of the District unless the District specifically approves in writing some different standards or requirements that shall be applicable to any particular Subconsultant. The Consultant shall require in its agreements with its Subconsultants that each Subconsultant be subject to, and that it comply with, the requirements set forth in this Part 3, except to the extent the District has approved any different standards or requirements applicable to any particular Subconsultant.

PART 4: INSURANCE AND INDEMNIFICATION

Section 4.1 General Requirement. The Consultant shall indemnify and hold harmless the District, the District Board and each individual member thereof, and the District’s other officers, employees and agents (collectively, but not including the District, the “District Agents”), and each of them, against and from any and all claims, demands, actions, judgments, damages, losses, costs and expenses (including, without limitation, attorneys’ fees and expenses) and other liabilities to the extent arising from any negligence, recklessness and/or willful misconduct of the Consultant or any Subconsultant, or the officers, employees or agents of either (collectively, but not including the Consultant, the “Consultant Agents”) in connection with the performance of this Agreement. The scope of the Consultant’s obligations pursuant to this Section shall include, without limitation: (i) any disputes of any nature between Consultant and any of its Subconsultants; and (ii) the injury or death of any person or the damage to any property in connection with performance of this Agreement by the Consultant or any of the Consultant Agents.

Section 4.2 Defense of District. The Consultant shall defend the District with respect to any claim, demand, or action that by allegation or implication is within the scope of the Consultant’s indemnification obligation pursuant to Section 4.1 of this Agreement. Any defense of the District or any of the District Agents conducted pursuant to this Agreement must be conducted by qualified and

appropriately experienced legal counsel reasonably acceptable to the District, but selected and retained by the Consultant, at no cost to the District or any of the District Agents.

Section 4.3 *Limitation on Consultant Obligations.* The Consultant shall not be obligated pursuant to Sections 4.1 and 4.2 of this Agreement to the extent any claim, demand, action, judgment, damage, loss, cost or expense, or other liability results from the sole negligence, active negligence, or willful misconduct of the District or any of the District Agents. In each such event, the Parties shall be responsible and liable on a comparative basis.

Section 4.4 *District Settlement of Disputes.* Without jeopardizing or compromising any of its rights pursuant to this Agreement or as may be available in accordance with law, the District may settle any claim, demand, action or other legal proceeding on terms reasonably determined by the District Board to be in the best interests of the District. Prior to settling, the District shall attempt to obtain the Consultant's consent to each such settlement, and the Consultant shall not unreasonably deny, delay or condition its approval. If the Parties are unable to agree on the particular terms for settlement of any dispute, with the result that the Consultant does not consent to the settlement, the District may nonetheless settle the dispute if the District Board has determined that the settlement will be in the District's best interests.

Section 4.5 *Payment of Costs.* The Consultant shall reimburse to the District, or upon request of the District shall directly pay, any and all costs, expenses, penalties, judgments, settlements, and other amounts paid or owed by the District that are payable by the Consultant pursuant to the indemnity provisions of this Agreement. The Consultant must pay each such amount not later than when the amount is due or within thirty days of receipt of a written invoice from the District requesting payment. Any late payments by the Consultant shall accrue interest at the maximum legal rate.

Section 4.6 *Insurance Not a Limitation.* The obligations of the Consultant pursuant to this Part 4 shall not be deemed or construed to be: (i) conditioned upon or in any other manner limited by the existence of any insurance coverage maintained by any person or entity; or (ii) conditioned upon the receipt by any person or entity of, or limited to the amount of, any insurance proceeds.

Section 4.7 *Survival of Obligations.* With respect to any and all acts, omissions or incidents occurring prior to termination of this Agreement, the Consultant's obligations pursuant to this Part 4 shall survive termination of this Agreement, regardless of whether the Consultant has then completed all of the Consultant Services.

Section 4.8 *Subconsultant Indemnity.* The Consultant shall require that each of its Subconsultants independently comply with all requirements of this Part 4 related to indemnifying, holding harmless and defending the District, unless the District specifically approves in writing some different standards or requirements that shall be applicable to any particular Subconsultant. The Consultant shall require in its agreements with its Subconsultants that each Subconsultant be subject to, and that it comply with, the requirements set forth in this Part 4, except to the extent the District has approved any different standards or requirements applicable to any particular Subconsultant.

PART 5: *DISPUTE RESOLUTION*

Section 5.1 *Notice and Opportunity to Cure.* If either one of the Parties ("Alleging Party") alleges that the other Party ("Defaulting Party") has breached any of its obligations pursuant to this Agreement, the Alleging Party may provide written notice thereof to the Defaulting Party, specifying in

reasonable detail the nature and extent of the alleged default (“Notice of Default”). If the Defaulting Party has not cured the alleged default within twenty days after receipt of the Notice of Default, then the Alleging Party in its discretion may initiate the dispute resolution process described in Section 5.2 herein. The giving of a Notice of Default and allowing the period for cure of the alleged default in accordance with this Section 5.1 shall be a condition precedent to the Alleging Party exercising any available remedy in response to the alleged default. Nothing in this Agreement shall be deemed or construed to prohibit the Defaulting Party from disputing that a default has occurred. Neither the giving of any Notice of Default, nor the initiation by the Alleging Party of any dispute resolution in connection with the alleged default, shall by itself operate to terminate this Agreement.

Section 5.2 *Informal Attempts at Dispute Resolution.* If a dispute between the Parties arises out of or relates to this Agreement (“Dispute”), the Parties shall attempt as provided in this Section to resolve the Dispute as quickly and as amicably as possible, including, without limitation, any Disputes as to the meaning of any provision of this Agreement, the validity of any determination or calculation required pursuant to this Agreement, or the rights or obligations of the Parties pursuant to this Agreement. If the Dispute does not relate to an alleged default or is not of such nature that a Party may give a Notice of Default, then the Party alleging the Dispute shall give to the other Party a written notice of the Dispute (“Notice of Dispute”). Within a reasonable time, not in excess of seven calendar days, after receipt of either a Notice of Default or a Notice of Dispute, the Parties shall commence attempts to informally resolve the Dispute as required pursuant to this Section. Such attempts shall include good-faith, reasonable and diligent efforts by both Parties to communicate and, if possible, to reconcile or compromise their respective positions. The participation by a Party in such attempts to informally resolve a Dispute shall be a condition precedent to such Party exercising any available remedy in response to the Dispute. If, after diligently making the attempts required pursuant to this Section for at least twenty calendar days, the Parties cannot resolve a Dispute, either Party may give written notice to the other Party that the attempts have been unavailing and, therefore, have been terminated effective upon receipt of that notice by the other Party.

Section 5.3 *Exercise of Available Remedies.* If attempts to resolve a Dispute pursuant to Section 5.2 herein are terminated without the Dispute having been resolved to the satisfaction of either Party, the Party may initiate any legal or equitable action or other proceeding in response to the Dispute that is available pursuant to this Agreement and applicable law. In addition, however, if a Party fails to respond to, or participate in good faith in, any requests or requirements for resolution of the Dispute pursuant to Section 5.2 herein, the other Party, in its discretion and without needing to further comply with Section 5.2 herein, may initiate any legal or equitable action or other proceeding in response to the Dispute that is available pursuant to this Agreement and applicable law. However, in any case in which a Notice of Default has been provided pursuant to Section 5.1 herein, no such legal or equitable action may be initiated until the applicable period specified in Section 5.1 herein for cure of the alleged default has expired without the alleged default having been cured.

Section 5.4 *Performance During Disputes.* At all times while any Dispute is pending, each Party shall continue to fully perform its obligations pursuant to this Agreement. Notwithstanding the foregoing, a Party shall not be responsible for continued performance of its obligations pursuant to this Agreement to the extent a default or alleged default by the other Party makes such performance impossible, impractical, or unreasonable.

Section 5.5 *Remedies Not Limited.* In connection with any Dispute, and except as expressly provided in this Agreement, each Party may exercise any or all rights and remedies available pursuant to this Agreement and applicable law. No such available remedy shall be deemed or construed to be

exclusive, and a Party may exercise any available remedy individually or in combination with any other available remedies.

PART 6: TERMINATION

Section 6.1 Termination Due to Expiration or Completion. Unless earlier terminated in accordance with this Part 6, this Agreement shall terminate upon: (i) expiration of the period determined pursuant to Section 1.2 for completion by the Consultant of the Consultant Services or, if the Consultant has not then completed all of the Consultant Services, upon such later date as agreed in writing by the Parties; or (ii) upon completion of all Consultant Services required to be performed by the Consultant and final payment by the District to the Consultant as required by this Agreement.

Section 6.2 District Termination Without Need for Cause. The District may terminate this Agreement, with respect to some or all of the Consultant Services, without need for cause, by providing written notice of termination to the Consultant. Such termination shall be effective on the date that is ten days following receipt of the notice of termination by the Consultant, or as of such earlier date as may be specified in the notice of termination.

Section 6.3 District Termination for Breach of Warranties. If the District at any time reasonably determines that any of the representations and/or warranties of the Consultant set forth in this Agreement are materially untrue or incorrect, the District shall have the right to terminate this Agreement immediately and without liability (including, without limitation, any liability for paying any further compensation to the Consultant), and the Consultant shall be liable to the District for all costs, expenses and damages arising therefrom. The Consultant's representations and warranties pursuant to this Agreement shall survive termination of this Agreement, regardless of whether at such time the Consultant has fully completed all Consultant Services. Nothing in the foregoing shall be deemed or construed to prohibit the Consultant from alleging that a termination pursuant to this Section was wrongful.

Section 6.4 District Termination for Cause. In addition to its rights pursuant to Section 6.3 of this Agreement, and subject to Sections 5.1 and 5.2 herein, the District may give the Consultant written notice of the District's intent to terminate this Agreement for cause if the District reasonably determines that the Consultant has failed to perform some or all of the Consultant Services in a satisfactory and timely manner or if the Consultant otherwise has breached any of its obligations pursuant to this Agreement. A termination pursuant to this Section shall be effective immediately upon receipt by the Consultant of the notice of termination or as of such later date as the notice may specify. Nothing in the foregoing shall be deemed or construed to prohibit the Consultant from alleging that a termination pursuant to this Section was wrongful.

Section 6.5 Consultant Termination for Cause. Subject to Sections 5.1 and 5.2 herein, the Consultant may give the District written notice of the Consultant's intent to terminate this Agreement for cause if the Consultant reasonably determines that the District has breached any of its material obligations pursuant to this Agreement. A termination pursuant to this Section shall be effective immediately upon receipt by the District of the notice of termination or as of such later date as the notice may specify. Nothing in the foregoing shall be deemed or construed to prohibit the District from alleging that a termination pursuant to this Section was wrongful.

Section 6.6 Compensation to Consultant Upon Termination. Subject to all other provisions of this Agreement, in the event of any termination, in whole or in part, of this Agreement pursuant to

Section 6.2, 6.4 or 6.5 of this Agreement, the District shall, with respect to the terminated portion of the Consultant Services, compensate the Consultant for the Consultant Services that the Consultant satisfactorily performed prior to termination, consistent with the Schedule of Values required pursuant to Section 1.4 of this Agreement, plus reimbursement for expenses associated with such performance as were authorized pursuant to Section 1.5 of this Agreement. Nothing in the foregoing shall be deemed or construed to constitute a waiver or release of any damages that a Party incurs as a result of a breach by the other Party of its obligations pursuant to this Agreement, and a Party shall be entitled to offset any and all such damages from amounts otherwise payable to the other Party pursuant to this Agreement.

Section 6.7 Consultant to Provide Copies of Service Documents. If, for any reason, this Agreement is terminated, in whole or in part, the Consultant must, not later than seven days following the effective date of the termination, provide to the District copies of all Service Documents relating to the terminated portion of the Consultant Services. Satisfaction of the Consultant's obligations pursuant to this Section shall be a condition precedent to the District's obligation to pay any compensation or reimbursement to the Consultant pursuant to Section 6.6 or other provisions of this Agreement.

Section 6.8 Survival of Obligations. The Parties' respective rights and obligations pursuant to this Part 6 shall survive termination of this Agreement.

PART 7: GIVING OF NOTICE

Section 7.1 General Requirements. Any and all notices required or permitted to be given pursuant to this Agreement (each a "Notice") must be in writing and must be given or served in accordance with this Part 7.

Section 7.2 Methods of Delivery. Each Notice must be sent via: (i) personal delivery (with name and signature of recipient obtained on delivery receipt); (ii) registered or certified U.S. mail (postage pre-paid and return receipt requested); (iii) FedEx, U.P.S. or other reliable, private delivery service (with name and signature of recipient obtained on electronic or other delivery receipt); or (iv) electronic mail (i.e., email) transmission (with original of the Notice deposited into the U.S. mail, first-class postage prepaid, within twelve hours after transmission). Neither Party may unreasonably refuse to accept delivery of any Notice in an attempt to avoid the giving or service of the Notice, and any such refusal by a Party shall be deemed and construed as a material breach of such Party's obligations pursuant to this Agreement.

Section 7.3 Persons to Whom Notices Must be Sent. Notices given to the District must be addressed and delivered to both of the District's representatives as specified in Exhibit "E" attached to this Agreement. Notices given to the Consultant must be addressed and delivered to the Consultant representative as specified in Exhibit E hereto.

Section 7.4 Changes in Contact Information. A Party may give notice of each change in its address, person to whom attention should be directed, or email address by giving Notice in accordance with this Part 7. If any such contact information for a Party changes and the Party does not give notice of such change in accordance with this Part 7, then, unless the sender has actual knowledge that the Party's contact information has changed and except as provided by law, any subsequent Notices addressed and delivered to the old or obsolete contact information shall be deemed and construed to have been given or served in accordance with Section 7.6 herein, regardless of whether "actual receipt" has occurred. However, if a sender has actual knowledge that a Party's contact information has

changed, the sender shall have an affirmative obligation to make reasonable efforts to obtain the intended recipient's then-current contact information. If, after making such reasonable efforts, a sender is unable to obtain a Party's then-current contact information sufficient to provide Notice to that Party using one of the methods authorized by this Part 7, then, except as provided by law, Notice shall be deemed and construed to have been given or served in accordance with Section 7.6 herein upon attempted delivery of the Notice to the Party's old or obsolete contact information.

Section 7.5 Additional Requirements for Giving Notice by Email. As an additional condition to sending a Notice by email, the reference (or "re") line must indicate that it is a "Notice Pursuant to Agreement for Consultant Services." Because email addresses are subject to change more frequently than physical addresses, if a Notice is to be sent by email, unless the sender has actual knowledge of the then-current correct email address of each intended recipient, the sender must call and verify the then-current email address of each intended recipient prior to sending the Notice, or must use some other method of delivering the Notice.

Section 7.6 Effect of Receipt. Except as provided in Section 7.4, a Notice shall be deemed given or served only upon actual receipt by the addressee. In the case of email, "actual receipt" shall mean delivery to the recipient's email in-box. However, if any Notice (including, without limitation, any Notice sent by email) is delivered after 4:00 p.m. on any business day, or is delivered on any day that is not a business day, the Notice shall be deemed to have been given or served as of 9:00 a.m. on the next subsequent business day.

Section 7.7 Applicability of Notice Requirements. The requirements of this Part 7 shall not be deemed or construed to apply to: (i) communications between the District and/or the Consultant necessary for day-to-day administration of this Agreement or performance of the Consultant Services; or (ii) service of process in accordance with any applicable law or court rule.

PART 8: INTERPRETATION OF AGREEMENT

Section 8.1 Fair and Reasonable Interpretations. Each Party hereby acknowledges and agrees that, prior to execution and delivery of this Agreement, such Party has received, or had unqualified opportunities to receive, independent legal advice from its legal counsel with respect to the advisability of entering into this Agreement and the meaning of the provisions herein. Therefore, the provisions of this Agreement shall be construed based on their fair and reasonable meaning, and not for or against any Party based on whether such Party or its legal counsel was primarily responsible for drafting this Agreement or any particular provision herein.

Section 8.2 Headings and Captions. The headings and captions set forth in this Agreement are for the convenience of the reader only and shall not be deemed or construed to establish, define or limit the meaning of any Part, Section, or other provision herein.

Section 8.3 Recitals and Exhibits. Each Recital set forth herein and each Exhibit referenced herein and attached hereto is hereby incorporated as an effective and operative provision of this Agreement. In the event of any conflict between any provision in the main body of this Agreement and any provision in the Exhibits, the provision in the main body of this Agreement shall govern.

Section 8.4 Meaning of "Days." Except as expressly provided in this Agreement in any particular case, each reference in this Agreement to a specific number of days shall be construed to mean consecutive calendar days, not business days. For purposes of this Agreement, the term "business

day” means any day that is not: (i) a Saturday or Sunday; (ii) an official federal or State holiday; or (iii) with respect to the District’s administrative staff, a furlough day mandated by the State or the District Board.

Section 8.5 Entire Agreement. This Agreement constitutes the entire understanding and agreement between the Parties pertaining to the performance of the Consultant Services by the Consultant, and any and all prior and contemporaneous agreements, representations and understandings of the Parties relating to such subject matter, whether oral or written, are hereby superseded and replaced.

Section 8.6 Modifications of Agreement. This Agreement may be modified only by means of duly-approved written agreement executed and delivered by both Parties.

Section 8.7 Waiver. A waiver by a Party of any provision of this Agreement shall be binding only if the waiver is set forth in writing and has been duly approved and signed by the waiving Party. Unless so specified in the written waiver, a waiver by a Party of any provision of this Agreement shall not constitute a waiver of any other provision(s) herein, similar or not, and shall not be construed as a continuing waiver. Except as waived in accordance with this Section, neither the failure by a Party at any time to require performance of any requirement of this Agreement, nor any forbearance or indulgence of the Party in regard to such requirement, shall in any manner affect the Party’s right at a later time to enforce the same or any other provision of this Agreement.

Section 8.8 Governing Law and Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State, notwithstanding any conflict-of-law, choice-of-law or other provision in the laws of the State or any other jurisdiction. Any action, arbitration, or other proceeding arising from this Agreement shall be initiated and conducted only in the County of Los Angeles, California.

Section 8.9 Correct Legal Requirements Deemed Included. Each and every provision required by any applicable law to be set forth in or incorporated into this Agreement is hereby deemed to be so set forth or incorporated, and this Agreement shall be construed and enforced as if all such provisions are so set forth or incorporated. If, for any reason, any provision required to be set forth herein by any applicable law is not expressly set forth herein, or is not correctly set forth herein, then, upon request of either the District or the Consultant, the Parties shall amend this Agreement to set forth, or to correctly set forth, such provision.

Section 8.10 Severability. If a court of competent jurisdiction determines, for any reason, that any provision or requirement of this Agreement is invalid or unenforceable, then, regardless of the reason for such determination, it shall not be deemed or construed to invalidate or render unenforceable any other provision or requirement of this Agreement. In such event, the remaining provisions and requirements shall be interpreted, to the extent permitted by law, in a manner that is consistent with the intent and purpose underlying the invalid or unenforceable provision or requirement.

Section 8.11 Successors and Assigns. The Consultant Services shall be deemed and construed to constitute professional services. Therefore, the Consultant may not assign this Agreement without the express written consent of the District, and any attempt to do so shall be null and void. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding on, the Parties’ authorized successors and assigns.

Section 8.12 No Third-Party Beneficiaries. The Parties have entered into this Agreement solely for their own purposes, and this Agreement shall not be deemed or construed to: (i) benefit any third party; (ii) create any right for any third party; or (iii) except as provided by law, provide a basis for any claim, demand, action or other proceeding by any third party.

Section 8.13 Agreement is Public Record. Notwithstanding anything in any proposal or any discussions or writings relating hereto: (i) nothing in this Agreement shall be deemed or construed to constitute confidential information; and (ii) this Agreement is a public record which the District may disclose in accordance with State law or otherwise.

(The remainder of this page intentionally left blank.)

PART 9: EXECUTION OF AGREEMENT

Section 9.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same instrument. Signature pages may be detached from counterpart originals and combined to physically form one or more copies of this Agreement having original signatures of both Parties.

Section 9.2 Due Authority. Each person signing this Agreement on behalf of a Party represents and warrants that he or she has been duly authorized by such Party to sign, and thereby bind such Party to, this Agreement.

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement as evidenced by their signatures below.

Saugus Union School District

AssetWorks

By: _____

Nick Heinlein, Assistant
Superintendent, Business Services

By: _____

Print Name: _____

Print Title: _____

Fed. Tax ID No: _____

EXHIBIT "A"
SCOPE OF SERVICES

The scope of services is summarized on page 4 of the proposal received from AssetWorks which is Attachment A, Exhibit 1. Included is the Saugus Union School District Property List as Attachment A, Exhibit 2.



February 7, 2017

Nick Heinlein

Assistant Superintendent of Business

Saugus Union School District

24930 Avenue Stanford

Santa Clarita, CA 91355

RE: Fixed Asset Inventory & Verification Services

Dear Mr. Heinlein:

AssetWorks, Inc. is pleased to submit our proposal to provide Saugus Union School District (District) comprehensive fixed asset re-inventory and management services which will include physical asset inventory and verification of assets, barcode tagging of non-tagged assets, asset exception reporting (additions/retirements/transfers) and certified appraisal reports to meet external audit requirements, the financial reporting requirements of GASB 34/35 and proper asset accountability and stewardship.

AssetWorks is uniquely qualified to provide the inventory and reconciliation services, utilizing significant knowledge of asset reporting and audit compliancy. The goals go beyond counting assets and recording serial numbers, the understanding of the larger picture, populating software systems and the utilization of technology to achieve compliancy on multiple levels. These are the theories AssetWorks employs, taking a proactive stance and taking the initiative to develop ideas and bring new tools and techniques to better serve our clients

Please contact me directly at 800-428-1925x1806 or via e-mail at greg.friz@assetworks.com with any questions or to schedule a meeting at your convenience.

Respectfully Submitted,

AssetWorks LLC

A handwritten signature in black ink, appearing to read "Greg Friz", with a stylized flourish at the end.

Gregory N. Friz, Managing Director



Proposal to Provide Fixed Asset Inventory & Verification Services



Respectfully Submitted by:

AssetWorks

Gregory N. Friz

Managing Director

6404 Wilshire Blvd., Suite 750

Los Angeles, CA 90048

greg.friz@assetworks.com

www.assetworks.com

Phone: 800-428-1925 x1806

STATEMENT OF QUALIFICATIONS



AssetWorks offers asset management solutions that embrace all aspects of capital asset and asset verification tracking, valuation and reporting. Our innovative solutions help organizations to vastly improve GASB34/35 compliance, generate detailed financial reports, carry out depreciation and capitalization modeling, track property disposal, generate property insurance reports, and much more.

The District can confidently select AssetWorks as a partner to provide asset management services. Specializing in providing asset management consulting, inventory, reconciliation, and valuation we offer:

- Two decades providing Enterprise Asset Management software solutions (EAM) and have the reputation of being the “best of class” provider. We are proud members of the Association of School Business Officials (ASBO) California Association of School Business Officials (CASBO) and the National Property Management Association (NPMA).
- With offices nationwide we offer our clients the resources of a national firm with the local knowledge of a small, local company.
- AssetWorks Appraisal is the technology pioneer in asset management solutions. We have the most advanced enterprise asset solution to support our client’s asset management needs.
- We have successfully provided asset management tracking, verification and consulting services for more than 5,000 entities across the United States, Europe, and Puerto Rico including *over 1,000 educational clients*.

AssetWorks Inc. is a Constellation Software, Inc. company. Constellation Software, Inc. is an international provider of market-leading software and services to a variety of industries, across both public and private sectors. The company was founded in 1995 and has a large, diverse customer base of 16,000 customers, operating in over 30 countries around the world. Constellation is an extremely healthy organization, with consolidated revenues exceeding US\$1.5 billion.

WORK PLAN

Our in-house appraisers will conduct an onsite inspection to inventory and verify all fixed assets with an original cost of \$500 and greater. The resulting data will provide the District proper accountability and stewardship of capital assets, assist with the financial reporting requirements of GASB 34, and external audit requirements. Additionally, identifying depreciable lives and calculation of accumulated and annual depreciations will take place followed by reporting in a format that is both useable and compliant. Data will be provided in both hard copy and electronic formats.

Planning & Project Coordination

After a thorough analysis of the required project scope, a work plan will be developed to coordinate, perform, and provide a comprehensive and accurate physical inventory and reconciliation. The work plan will include:

- Initial project plan
- Inventory and verification schedule
- Identify current locations and organizations for asset ownership
- Review of current asset perpetuation system
- Finalize quality control procedures
- Review deliverables

District Assistance

The success of this project substantially lies in the preparations and pre-project planning. We ask the District for assistance with the following:

- Provide the most recent fixed asset data in MS Excel format
- Notify key departments and contacts at each site of the project
- Enable access to all sites, buildings and rooms (master keys where possible)
- Provide a list of musical instruments to be included in the reports
- Prepare a current list of licensed vehicles to be verified during the inventory process
- Items to be inventoried must be accessible, without the need to move or unpack items.
- Computer carts must be unlocked to be included in the inventory

Implementation Plan and Timing

AssetWorks implementation will include project planning, schedule development, on-site inventory and verification, office reconciliation and report generation as outlined below:

Asset Inventory & Verification Work Plan	Schedule
Task 1-Project Planning	
➤ Establish project/client team	Week 1
➤ Establish communication plan	Week 1
➤ Review fixed asset system (data export in MS Excel format)	Week 1
➤ Confirm Deliverables	Week 1
➤ Project team orientation	Week 1
➤ Develop inventory schedule	Week 1
Task 2-Asset Inventory & Verification	
➤ Perform site inventory	Week 3-5
➤ Record asset location data elements (site/building/room)	Week 3-5
➤ Record pertinent asset data (unrecorded additions/missing tags)	Week 3-5
➤ Record existing tag or apply barcode tag	Week 3-5
➤ Develop original cost (unrecorded additions)	Week 6-8
➤ Assign normal life (unrecorded additions)	Week 6-8
Task 4-Deliverables	
➤ Preliminary reports (Exceptions)	Week 10
➤ Review preliminary reports	Week 11-13
➤ Prepare final report	Week 14
➤ Master data file (MS Excel)	Week 14

Asset Inventory Verification-Machinery, Furniture & Equipment

A detailed inspection and field inventory will be conducted at all buildings, identifying each asset by location, building and room. The on-site asset inventory and verification will:

- Verify asset existence based on scanned re-inventory
- Confirm asset location to the site/building/room level
- Confirm custodial responsibility
- Identify unrecorded assets such as additions, retirements and transfers
- Verify asset status and condition

All assets included in our inventory and appraisal will be recorded and categorized by major account. This segregation of items will assist in reporting asset valuation totals for capital asset reporting formats. Our appraisers will utilize hand held computers equipped with laser scanners to verify the asset data and record any missing information including the following data:

- | | |
|--------------------------------|-----------------------------------|
| a. Asset Identification Number | i. Building |
| b. Description | j. Site/Location |
| c. Quantity | k. Room/Sublocation |
| d. Acquisition Date | l. Cost Information |
| e. Manufacturer | m. Funding Source |
| f. Model | n. Department |
| g. Serial Number | o. Normal Useful Life |
| h. Asset Account | p. Miscellaneous (e.g. old tag #) |

Barcode Tagging- AssetWorks appraisers will record the existing tag number or apply a bar code tag where no tag exists and enter the tag numbers along with all the corresponding asset information into the database. Our base fee includes the cost of all tags necessary for the inventory.

Control Assets with an original cost more than \$500 or more, and having an estimated useful life of one year or greater will be inventoried and identified in reports.

Excluded - Buildings, land, land improvements and equipment assets with a unit cost less than \$500 (Chromebooks, Ipads, etc.) are not included in our proposed service.

COSTING & VALUATION METHODOLOGY (*Unrecorded Additions*)

The offsite valuation portion of the project entails the research and calculations necessary to formulate historic costs. The project manager and quality control supervisor work hand-in-hand to ensure the integrity of the data. The focus is on completeness, accuracy and proper formatting of all data prior to final processing and delivery.

Our investigation of the property will follow generally accepted appraisal techniques and will include the use of specific techniques necessary to develop valid and acceptable original cost and date of acquisition for each asset. This includes use of the straight-line method of depreciation. We will determine original cost by using the following costing methods:

Direct Costing method will be used where historical data is readily available from District records. The actual purchase cost and acquisition date will be maintained for those assets. While AssetWorks, Inc. is not proposing a detailed line-by-line reconciliation, our staff will work with records as provided by the District to tie back original cost and dates of acquisition on recent acquisitions.

Standard Costing is used when inventoried property units/groups not reconciled to a historical record receive an estimated cost, where possible, based upon a standard cost (a known average installed cost for a like unit) at the estimated acquisition date.

Normal Costing method will be used where no historical information is readily available. These assets will be valued on a current basis and back-trended to an estimated date of acquisition to estimate the original cost. During the costing and valuation procedures, all items will be assigned a useful life. The useful life of an item will determine its approximate replacement year.

During the course of the valuation research, our appraisers will examine all assets to determine original cost, defined as follows:

ORIGINAL COST is the amount originally paid to acquire the asset, including such cost as set-up charges; transportation; taxes; engineering and architectural fees; and title insurance. If an asset was donated or bought for a nominal sum, GAAP requires that the asset be accounted for at market value as of the date of acquisition.

PROJECT DELIVERABLES

Reports will be presented in an easy-to-read format and include asset exception reports, draft reports, final detail summary reports as well as a master data file. A narrative section that will certify our inventory and valuation and document our procedures will precede your reports. Reports will include:

Reconciliation Process

Throughout the inventory process, the inventory data is analyzed for discrepancies and inventory exceptions. Upon completion of the onsite fieldwork and offsite valuations, a data match comparing the existing fixed asset database to the database of information recorded during the onsite fieldwork will occur resulting in the following reports:

- Inventoried Assets-“Matches”
- Unrecorded Additions
- Unrecorded Retirements
- Asset transfers (old location to new location)

Preliminary Reports

Draft Summary and detail reports will be sent via email in .pdf format for review. We provide two weeks from the point of issuance to determine acceptability of the final data. Upon acceptance, AssetWorks will then prepare and deliver final reports in electronic and hard-copy format.

Final Reports

One original of the final report will be provided in hardcopy format. Our conclusions will assist the District with meeting the financial reporting requirements of GASB 34, external audit requirements and accountability and stewardship of District assets. Final Reports will include:

Final reports will include:

Accounting Reports

Property Accounting Summary
Property Accounting Ledger/Detail
Property Accounting Summary Year-To-Date Depreciation
Property Accounting Ledger/Detail Year-To-Date Depreciation
Net Changes Summary – Depreciation by Program

Electronic Reports

MASTER DATA FILE

PROJECT FEES & AUTHORIZATION

Please return a copy of this executed agreement to the attention of the undersigned via fax to 310-470-4903 and mail the original project fees page mailed back to this office. All professional fees outlined below are in US Dollars and include out-of-pocket expenses.

Authorization _____

Fixed Asset Inventory and Verification

\$38,500

- Inventory of fixed assets
(*\$500 original cost and greater*)
- Record pertinent asset data
- Barcode Tagging of non-tagged assets
- Certified Reports
(*accounting/exceptions*)

AssetWorks will invoice the District 70% of fees during the fieldwork portion of the project with the final contract amount invoiced with our draft reports. Invoices are due within 30 days of receipt. We look forward to working with you on this important project and developing a professional partnership with the District.

RESPECTFULLY OFFERED BY:

ACCEPTED BY:

AssetWorks LLC

Saugus Union School District



Signature: _____

Name: _____

Title: _____

Date: _____

Gregory N. Friz, Director
February 7, 2017

ADDENDUM A-TERMS AND CONDITIONS

- 1) AssetWorks shall provide guidance to the District in determining the data required for purposes of the contemplated services. The District further agrees to provide all data specifically requested, including documentation and information to AssetWorks in a timely manner. AssetWorks shall assume without incurring liability therefore, that all data so provided is correct and complete.
- 2) In the event that the District provides additional and/or corrected data, documentation and information at a later date, AssetWorks' efforts with respect to such additional and/or corrected data, documentation and information shall be deemed additional services and compensated in addition to the fees set forth herein based on applicable hours, professional fees and expenses.
- 3) The District acknowledges project completion upon delivery of final reports. Final report delivery occurs only upon either acceptance of the preliminary reports data by the District or upon the passing of the two-week (10 business days) period of time after preliminary report delivery, whichever comes first.
- 4) The fees proposed in this contract are valid for a period of 90 days.
- 5) To the extent a claim is not covered by the required insurance, each party agrees that each party's total liability for any and all damages whatsoever arising out of or in any way related to this Agreement from any cause, including but not limited to negligence, errors, omissions, strict liability, breach of contract or breach of warranty shall not, in the aggregate, exceed the total amount of this Agreement. To the extent a claim is covered by the required insurance, each party's total liability will be limited to the amount of required insurance.
- 6) The District and AssetWorks shall each retain ownership of, and all right, title and interest in and to, their respective pre-existing Intellectual Property, and no license therein, whether express or implied, is granted by this Agreement or as a result of the Services performed hereunder. To the extent the parties wish to grant to the other rights or interests in pre-existing Intellectual Property, separate license agreements on mutually acceptable terms will be executed.
- 7) AssetWorks, Inc. will invoice the District for 70% of fees during the fieldwork portion of the project with the final contract amount invoiced with issuance of draft reports. Invoices are due within 30 days of receipt, and past due amounts may be subject to late fees of 1½ percent per month.

ADDENDUM B-REFERENCES

During the past two decades, AssetWorks staff has provided fixed asset management and inventory services to thousands of educational entities nationwide. Recent clients served by the AssetWorks team similar in scope include:

Santa Ana Unified School District	Antelope Valley Community College
Santa Ana, CA	Lancaster, CA
Contact: Mr. Jon Geiszler	Contact: Stan Moore
Phone: (714) 558-5624	Phone: (661) 722-6300 x6909
Email: jonathon.geiszler@sausd.us	Email: smoore@avc.edu
Fixed asset inventory & management services in 2012, 2015 and scheduled for 2017	Fixed asset inventory, verification & reconciliation
Chula Vista Elementary School District	San Bernardino Unified School District
Chula Vista, CA	San Bernardino, CA
Contact: Bernadette Faustino	Contact: Jim Cunningham
Phone: (619) 425-9660 x1383	Phone: (909) 381-1152
Email: Bernadette.faustino@cvesd.org	Email: jim.cunningham@sbcusd.com
Asset inventory since 2015	Fixed asset inventory & verification services in 2010 and 20165

Saugus Union School District
 24930 Avenue Stanford, Santa Clarita, CA. 91355
 (661) 294-5300 Fax (661) 294-3111 Email www.saugusd.org

Board of Trustees

Mr. Paul De La Cerda
 Mrs. Julie Olsen
 Dr. David Powell
 Mr. Christopher Trunkey
 Mrs. Judy Umeck

Cabinet

Dr. Joan M. Lucid, Superintendent
 Mr. Nick Heinlein, Assistant Superintendent of Business
 Dr. Isa DeArmas, Assistant Superintendent of Education Services
 Dr. Jennifer Stevenson, Assistant Superintendent Human Resources

2016-2017

Bridgeport 23670 Newhall Ranch Road Santa Clarita, CA 91355 294-5375 (Fax 286-1598) Susan Bender, Principal Karen Harvey, Assistant Principal	OM-Lori Oster	Plum Canyon 28360 N. Alfred Way Saugus, CA 91350 294-5365 (Fax 297-8625) Mary Mann, Principal	OM-Toni Murray
Cedarcreek 27792 Camp Plenty Road Canyon Country, CA 91351 294-5310 (Fax 298-3255) Robin Payre, Principal	OM-Yoli Esswein	Rio Vista 20417 Cedarcreek Street Canyon Country, CA 91351 294-5330 (Fax 251-7466) Gina Nolte, Principal	OM-Karla Delgadillo
Emblem Academy 22635 Espuella Drive Saugus, CA 91350 294-5315 (Fax 296-3265) Jon Baker, Principal Lisa Loscos, Assist. Principal	OM-Jill McCarty	Rosedell 27853 Urbandale Avenue Saugus, CA 91350 294-5335 (Fax 297-8619) Kathy Stendel, Principal Misty Covington, Assist. Principal	OM-Sue Haynes
Foster 22500 Pamplico Drive Saugus, CA 91350 294-5355 (Fax 297-8844) Deborah Bohn, Ed.D. Principal	OM-Vicky Escalante	Santa Clarita 27177 Seco Canyon Road Saugus, CA 91350 294-5340 (Fax 297-8631) Theophane Korie, Principal	OM-Cathy Duus
Helmrs 27300 Grandview Drive Valencia, CA 91354 294-5345 (Fax 286-4391) Pete Bland, Principal Vicky Kubasak, Assist. Principal	OM-Rossanna Robins	Skyblue Mesa 28040 Hardesty Avenue Canyon Country, CA 91351 294-5350 (Fax 298-3256) Julie Bogosian, Principal	OM-Cathy Bench
Highlands 27332 Catala Avenue Saugus, CA 91350 294-5320 (Fax 297-8632) Paul Martinsen, Principal	OM-Jackie Brice	Tesoro Del Valle 29171 North Bernardo Way Valencia, CA 91354 294-5380 (Fax 294-1461) Dianne Saunders, Principal	OM-Tracie Linn-Tyrrell
Mountainview 22201 W. Cypress Place Saugus, CA 91390 294-5325 (Fax 297-8637) Katie Demsher, Principal Alina Vehuni, Assist. Principal	OM-Dena Abbinanti	West Creek Academy 28767 N. West Hills Drive Santa Clarita, CA 91354 294-5385 (Fax 294-1932) Cory Pak, Principal Susan Bett, Assist. Principal	OM-Maggie Medina
North Park 23335 W. Sunset Hills Drive Valencia, CA 91354 294-5370 (Fax 297-1480) Sandy Brunet, Principal Carin Fractor, Assist. Principal	OM-Barbara Tapia	Early Start (at Rio Vista) 20417 Cedarcreek Street Canyon Country, CA 91351 294-5332 (Fax 298-3293) Toni Tellez	OM-Maureen Sewer
District Office 24930 Avenue Stanford Santa Clarita, CA 91355 Nick Heinlein, Assist Supt of Business	Receptionist-Dodie Maggio	Maintenance & Operations 26501 Ruther Drive Canyon Country, CA 91351 Barbara Boliver, Manager	Secretary-Suki Huitink

EXHIBIT "B"
Consultant Compensation

In exchange for full and satisfactory completion of the Consultant Services, the District shall compensate the Consultant as provided below in this Exhibit B. Such compensation shall be deemed and construed to be all-inclusive, full and final compensation to the Consultant for the Consultant Services provided, and shall include any and all overhead, profit and other amounts potentially payable to the Consultant for the Consultant Services. Subject to the foregoing, the District shall pay to the Consultant a fixed fee in the total amount of \$ 38,500.

EXHIBIT "C"
CERTIFICATION REGARDING EMPLOYEE BACKGROUND CHECKS

District: Saugus Union School District

Project: Fixed Asset Inventory and Verification Service

Consultant: AssetWorks

Agreement: Agreement for Consultant Services dated March 21, 2017

The undersigned hereby certifies to the District, subject to penalty for perjury pursuant to the laws of the State of California, that the following is true and correct:

- (i) The undersigned is a duly-authorized representative of the Consultant and, in that capacity, has executed this certification on behalf of the Consultant;
- (ii) The Consultant has fully complied with the requirements of this Agreement for employee background checks, including, without limitation, with respect to employees of any Subconsultants that the Consultant intends to use in connection with the Consultant Services required by the Agreement;
- (iii) All of the employees of the Consultant and its Subconsultants who will enter in or upon the Project Site, or be in the vicinity of the Project Site, in connection with the Project are identified on the Attachment(s) to this certification;
- (iv) None of the employees of the Consultant or its Subconsultants who are identified on the Attachment(s) to this certification have been convicted of a violent or serious felony as defined in Subdivision (c) of Education Code Section 45125.2; and
- (v) Except for the employees identified on the Attachment(s) to this certification (and except for the employees identified on attachment(s) to other certifications using this form that the Consultant has submitted to the District in connection with the Consultant Services), the Consultant shall not suffer or permit any employees of the Consultant or any of its Subconsultants to enter in or upon the Project Site, or to be in the vicinity of the Project Site, in connection with the Project.

Representative Name: _____

Representative Title: _____

Representative Signature: _____

Date Signed: _____

CERTIFICATION REGARDING EMPLOYEE BACKGROUND CHECKS – ATTACHMENT SHEET

Consultant: _____

Instructions

- (1) For each employee, insert all required information (as specified in the table below) in one row of the table.
- (2) In the “Driver License/Identification” column in the table below: (i) specify the number of the employee’s driver’s license or, if the employee does not have a driver’s license, the number of the employee’s state-issued identification; and (ii) specify the state that issued the driver’s license or identification.
- (3) If identifying more than ten employees: (i) use copies of this Attachment to identify the additional employees; and (ii) on each such copy, specify the page number and total number of pages where indicated at the bottom of this Attachment.

	Employer (Company)	Employee Name and Position	Sex	Date of Birth	Height	Weight	Hair Color	Eye Color	Driver License/Identification #
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									

Page _____ **of** _____

EXHIBIT "D"
Consultant Company and District Representatives

Consultant Company

The Consultant Representative, for purposes of both Section 2.2 (i.e., designating the Consultant Representative) and Part 7 of the main body of this Agreement (i.e., Notices), is identified below, along with his or her contact information.

Name:

Attn:

Address:

City, State:

Email:

District

The District representatives, for purposes of Part 7 of the main body of this Agreement (i.e., Notices), are identified below, along with their respective contact information. A copy of each Notice given to the District must be sent to both of the following District representatives:

Saugus Union School District

Attn: Nick Heinlein, Assistant Superintendent, Business Services

24930 Avenue Stanford

Santa Clarita, CA 91355

Email: nheinlein@saugusd.org

The District representatives, for purposes of administration of this Agreement and the Consultant Services are identified below.

Name and Title (Primary):	Nick Heinlein, Assistant Superintendent, is the primary District contact person with respect to administration of this Agreement.
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