

**COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE**

**RESOLUTION NO. 44-2017**

*Adopted November 7, 2017*

**AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH RGL FORENSICS FOR AUDITING SERVICES TO EXTEND THE TIME OF COMPLETION TO JUNE 30, 2018 AND TO INCREASE THE CONTRACT AMOUNT BY \$30,000 FOR AN AGGREGATE TOTAL NOT TO EXCEED \$80,000**

WHEREAS, The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or “OCII”) assumed all of the Redevelopment Agency’s enforceable obligations. The Successor Agency is charged with winding-down the enforceable obligations, pursuant to Redevelopment Dissolution Law, California Health and Safety Code Sections 34170 et seq., and subject to the oversight of the State Department of Finance and the Oversight Board of the City and County of San Francisco; and,

WHEREAS, OCII payroll, benefit deductions, and retirement contributions were last reviewed in 2008. Regular review of key financial documents is a financial best practice; and,

WHEREAS, RGL Forensics is an approved vendor with the City of San Francisco on retainer with the Office of the City Attorney as an expert consultant with specialized knowledge related to payroll; and,

WHEREAS, Based on RGL Forensics specialized knowledge related to payroll, OCII entered into a \$15,000 sole source personal services contract with RGL Forensics in February 2017 to analyze OCII’s system of administering payroll benefit deductions and determine the tax implications of benefit deductions. This contract was authorized under the authority of the Executive Director, as per the OCII Purchasing Policy, which allows the Executive Director to authorize contracts with not-exceed amount of less than \$50,000; and,

WHEREAS, In May 2017, OCII determined that the initial contract amount of \$15,000 was insufficient to complete the required analysis. OCII staff increased the contract by \$35,000 from \$15,000 to \$50,000 in order to provide sufficient funding for RGL to analyze three years of payroll data. This amendment was authorized under the authority of the Executive Director, as per the OCII Purchasing Policy, which allows the Executive Director to authorize contracts with not-exceed amount of less than \$50,000; and,

WHEREAS, OCII staff seek to increase the contract by \$30,000, from \$50,000 to \$80,000, and to extend the time to completion, in order to increase the scope of the analysis to include retirement benefits. Extending the time to completion and the contract not-

to-exceed amount will provide sufficient resources for RGL to perform in-depth analysis of retirement benefit withholdings and contributions; and,

WHEREAS, Analyzing payroll, benefit deductions, and retirement contributions is a Successor Agency administrative activity that does not constitute a "Project" as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; now therefore, be it

RESOLVED, That the Executive Director of the Office of Community Investment and Infrastructure is authorized to execute a Second Amendment to the Personal Services Contract with RGL Forensics for auditing services to extend the time of completion to June 30, 2018 and to increase the not-to-exceed amount by \$30,000 from \$50,000 to \$80,000.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of November 7, 2017.


  
\_\_\_\_\_  
Commission Secretary

Exhibit A: Second Amendment to the Personal Services Contract with RGL Forensics for auditing services

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO

PERSONAL CONTRACT

This SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT is entered into as of November 7, 2017 by and between the OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic (“OCII”), and the RGL, Inc. dba RGL FORENSICS, a California corporation (“Counsel”).

RECITALS

- A. OCII payroll, benefit deductions, and retirement contributions were last reviewed in 2008. Regular review of key financial documents is a financial best practice.
- B. RGL Forensics is an approved vendor with the City of San Francisco on retainer with the Office of the City Attorney as an expert consultant with specialized knowledge related to payroll.
- C. Based on RGL Forensics’ specialized knowledge related to payroll, OCII entered into a \$15,000 sole source personal services contract with RGL Forensics in February 2017. This contract was authorized under the authority of the Executive Director, as per the OCII Purchasing Policy, which allows the Executive Director to authorize contracts with not-exceed amount of less than \$50,000.
- D. In May 2017, OCII determined that the initial contract amount of \$15,000 was insufficient to complete the required analysis. OCII staff increased the contract by \$35,000 from \$15,000 to \$50,000 in order to provide sufficient funding for RGL to analyze three years of payroll data. This amendment was authorized under the authority of the Executive Director, as per the OCII Purchasing Policy, which allows the Executive Director to authorize contracts with not-exceed amount of less than \$50,000.
- E. OCII staff have determined that the time to completion and the contract not-to-exceed amount of \$50,000 are insufficient to complete the required analysis. OCII staff seek to extend the time to completion to June 30, 2018 and increase the contract not-to-exceed amount by \$30,000, from \$50,000 to \$80,000. Extending the time to completion and increasing the contract not-to-exceed amount will provide sufficient resources for RGL to perform in-depth analysis of retirement benefit withholdings and contributions.
- F. Analyzing payroll, benefit deductions, and retirement contributions is a Successor Agency fiscal activity that does not constitute a “Project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA.

**AGREEMENT**

**ACCORDINGLY**, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Agency and Contractor agree to amend the Contract as follows:

2. TIME OF COMPLETION

Time for completion of this Contract will be June 30, 2018.

3. COMPENSATION AND METHOD OF PAYMENT

A. Compensation. The maximum amount payable under this Contract is Eighty Thousand Dollars (\$80,000). Payment shall be made according to the schedule and terms described on **Attachment B**, "Budget". All expenses of Contractor are included in the amounts payable pursuant to **Attachment B**, "Budget", and no expenses shall be reimbursed separately. Contractor will submit a final invoice to OCII upon completion of the Scope of Work. The invoices shall include the billing amount, total hours, invoiced, hourly billing rate, and a description of services rendered. OCII staff will review and approve these invoices for payment.

The Budget, "Attachment B" is hereby deleted in its entirety and replaced with the attached "Attachment B."

This Second Amendment constitutes a part of the Contract and any reference to the Contract, in any document, shall be deemed to include a reference to such Contract as amended hereby.

Except as otherwise amended hereby, all terms, covenants, conditions and provisions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF OCII and Contractor have executed this Contract as of the date first above written.

**SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY AND COUNTY OF SAN FRANCISCO,**  
a public body, corporate and politic

By: \_\_\_\_\_  
Nadia Sesay  
Executive Director

**RGL Inc., dba RGL Forensics a California  
Corporation**

By: Mary Fusch

Mary Furst  
Partner  
Federal Tax Identification No. 61-1435323

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James B. Morales  
General Counsel and Deputy Director

## **Attachment B Budget**

Estimated hours required to complete Scope of Work: 300-400

Hourly Rate: \$140 - \$285 depending on task and individual

Total Estimated Fee: \$70,000-\$80,000

Actual charges will reflect hours worked. The total fee for the Scope of Work will not exceed \$80,000. Payment is due within 30 days of receipt of the final report.