



BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 10/15/2024

* = Mandatory, information must be provided

or Procurement Director Award: ☐

***Contractor/Vendor Name/Grantor (DBA):**

MGT of America Consulting, LLC

***Project Title/Description:**

Indirect Cost Allocation Plan Development

***Purpose:**

The services of MGT of America Consulting, LLC (MGT) are used by both the Department of Grants Management & Innovation (GMI), and the Department of Finance and Risk Management (FRMG). Each year, FRMG works with MGT to determine the proportional allocation of central service costs to departments. Central service costs are incurred by central service departments through work benefiting other County departments. Examples include accounting, procurement, human resources and information technology. The determination of proportional central service cost allocations involves the development of cost-driver methodology based on measurable and auditable allocation statistics. The FRMG/MGT work culminates in the county-wide Cost Allocation Plan (CAP); a memorandum summarizing this work is submitted annually by the County Administrator to the Board of Supervisors (the most recent memo - "Charges for Administrative Overhead, Internal Service Fund Rates, and Estimated Depreciation in the Fiscal Year 2024/25 Recommended Budget" – was submitted on March 11, 2024). Using CAP data, GMI works with MGT to develop and submit indirect cost rate proposals to the federal government. Indirect cost rates are used to recoup central service costs from federal funders through use of either: 1) the de minimis rate; or 2) Negotiated Indirect Cost Rate Agreements (NICRAs). Currently, the County deploys the first type—the de minimis indirect cost rate (which increased from 10% to 15% on October 1, 2024). NICRAs allow the recoupment of indirect costs at a rate typically higher than the de minimis by using each department's validated central service cost allocation published in the CAP. GMI/MGT NICRA proposals to the federal government were significantly delayed for federal review due to the COVID crisis; these proposals were also negatively affected by the federal government's decision to disallow counting COVID-related grant awards toward NICRA eligibility thresholds. Ultimately, in June 2024, the federal government declined GMI's NICRA proposals. This fiscal year and next, GMI intends to work with MGT to re-apply for NICRAs in order to recoup the County's fair and validated share of indirect costs incurred during the implementation of federal grants.

The request amount for the third amendment of the MGT contract increases the contract total above the Procurement Department's delegated threshold, and therefore requires Board of Supervisors approval.

***Procurement Method:**

Processed per Board of Supervisors Policy D29.6, III-A.

***Program Goals/Predicted Outcomes:**

A clear, uniform approach to calculating indirect costs for all departments in Pima County.

***Public Benefit:**

Recoupment of government-wide central service costs required to fulfill grant agreements, including but not limited to general accounting services, general human resource services, information technology services and equipment, depreciation of buildings and equipment, as well as costs related to operating and maintaining facilities.

***Metrics Available to Measure Performance:**

Successful and continued development of a cost allocation plan.

***Retroactive:**

No

TO: COB: 10-2-24(1) - CORRECTED

vers.: 1

pgs.: 3

GMI apprv's
12/11/24
10/7/24

OCT07'24PM0117PO

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount \$ _____ * ☐ Revenue Amount: \$ _____

*Funding Source(s) required: _____

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☐ Yes ☐ No
If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☐ No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: PO Department Code: GMI Contract Number (i.e., 15-123): PO CT 21-198
Amendment No.: 03 AMS Version No.: 1
Commencement Date: 10/15/2024 New Termination Date: 08/31/2026
Prior Contract No. (Synergen/CMS): CT-GMI-21*198

☒ Expense ☐ Revenue ☒ Increase ☐ Decrease Amount This Amendment: \$ 80,000.00

Is there revenue included? ☐ Yes ☒ No If Yes \$ _____

*Funding Source(s) required: General Fund

Funding from General Fund? ☒ Yes ☐ No If Yes \$ 80,000.00 % 100

Grant/Amendment Information (for grants acceptance and awards)

☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

*All Funding Source(s) required: _____

*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

*Match funding from other sources? ☐ Yes ☐ No If Yes \$ _____ % _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: RK Kelly

Department: GMI

Telephone: 724-6679

Department Director Signature: RK Kelly

Date: 9/30/2024

Deputy County Administrator Signature: [Signature]

Date: 9-30-2024

County Administrator Signature: [Signature]

Date: 9/30/2024

Pima County Department of Grants Management & Innovation

Project: Indirect Cost Allocation Plan Development

Contractor: MGT of America Consulting, LLC

Contract No.: CT_2100000000000000198 (formerly known as CT-GMI-21*0198)

Contract Amendment No.: 03

Orig. Contract Term: 09/01/2020 – 08/31/2023	Orig. Amount:	\$ 90,000.00
Termination Date Prior Amendment: 08/31/2025	Prior Amendments Amount:	\$ 10,000.00
Termination Date This Amendment: 08/31/2026	This Amendment Amount:	\$ 80,000.00
	Revised Total Amount:	\$180,000.00

CONTRACT AMENDMENT

The parties agree to amend the above-referenced contract as follows:

1. Background and Purpose.

1.1 Background. On September 1, 2020, County and Contractor entered into the above referenced agreement to provide the development of a county-wide cost allocation plan and indirect cost rate proposal. On September 1, 2023, the parties extended the contract term to August 31, 2025. On June 4, 2024, the parties increased the amount the County will spend under this Contract by \$10,000.00.

1.2 Purpose. County requires additional services for the development of the county-wide cost allocation plan.

2. Term. The parties agree to extend the contract term for one additional year commencing September 1, 2025 and terminating on August 31, 2026. If the commencement date is before the Effective Date of this amendment, the parties will, for all purposes, deem the amendment to have been in effect as of the commencement date.

3. Maximum Payment Amount. The maximum amount the County will spend under this Contract, as set forth in Section 4.2, is increased by \$80,000.00. County's total payments to Contractor under this contract, including any sales taxes, will not exceed \$180,000.00.

4. Heat Injury and Illness Prevention and Safety Plan. Pursuant to Pima County Procurement Code 11.40.030, Contractor hereby warrants that if Contractor's employees perform work in an outdoor environment under this Contract, Contractor will keep on file a written Heat Injury and Illness Prevention and Safety Plan. At County's request, Contractor will provide a copy of this plan and documentation of heat safety and mitigation efforts implemented by Contractor to prevent heat-related illnesses and injuries in the workplace. Contractor will post a copy of the Heat Injury and Illness Prevention and Safety Plan where it is accessible to employees.

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Revised 8/19/22

Contractor will further ensure that each subcontractor who performs any work for Contractor under this Contract complies with this provision.

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Contract No.: CT_2100000000000000198 (formerly known as CT-GMI-21*0198)

Revised 8/19/22

All other provisions of the Contract not specifically changed by this Amendment remain in effect and are binding upon the parties.

This agreement may be executed in counterparts, each of which, when taken together, will constitute one original agreement.

PIMA COUNTY

CONTRACTOR

Chair, Board of Supervisors

Authorized Officer Signature

Date

Printed Name and Title

Date

ATTEST

Clerk of the Board

Date

APPROVED AS TO FORM



Deputy County Attorney

Kyle Johnson

Print DCA Name

9/30/2024

Date

APPROVED AS TO CONTENT



Department Head

9/30/24

Date

Contract No.: CT_21000000000000000198 (formerly known as CT-GMI-21*0198)

Revised 8/19/22