PROFESSIONAL SERVICES AGREEMENT
FOR
CONTRACT ACCOUNTING SERVICES

THIS AGREEMENT made and entered into this ___19th____day of January 2016 (Effective Date), by and between the CITY OF BETHEL (a municipal corporation) and CARMEN JACKSON CPA (an Alaska business).

Section 01 Definition
In this Agreement:

A. The term "City" means the City of Bethel.
B. The term "Accountant" means CARMEN JACKSON CPA.

Section 02 Employment of Accountant
The City hereby agrees to engage the services of Accountant and the Accountant hereby agrees to perform the services hereafter set forth.

Section 03 Scope of Services
In accordance with the Request for Proposals (RFP) issued by City on October 23, 2015 and Accountant's Proposal, Accountant agrees to perform accounting services as requested by the Finance Director, or his designee, and agreed to by Accountant. Such accounting services to include, but not be limited to:

- Travel to Bethel for up to one full work week as necessary and previously agreed to between Accountant and City.
- Journal Entries;
- Accounts Payable processing;
- Payroll processing;
- Bank Reconciliations;
- Annual Audit Preparation;
- Grant Reporting;
- Budget Preparation;
- Sales Tax entries, reporting and reconciliation;
- Bookkeeping;
- Training onsite personnel

Additionally, Accountant agrees to complete a minimum of four (4) random sales tax audits annually of businesses operating within the City of Bethel for each year of the contract provided the City has not exhausted the total contract amount with other services requested. If the total contract amount is exhausted by other services requested by the City, an increase in the contract will be required to pay for the required number of sales tax audits.

Section 04 Personnel
Personnel shall be limited to employees or subcontractors of CARMEN JACKSON CPA.

A. Professional Practices. All professional services to be provided by Accountant pursuant to this Agreement shall be provided by personnel experienced in their

respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional accountants and accounting personnel in similar fields and circumstances in accordance with sound professional practices. It is understood that in the exercise of every aspect of its role, within the scope of work, Accountant will be representing the City, and all of its actions, communications, or other work, during its employment, under this contract is under the direction of the City. Accountant also warrants that it is familiar with all laws and regulations that may affect its performance of this Agreement and shall advise City of any changes in any laws/regulations that may affect Accountant's performance of this Agreement.

B. Subcontractors: Accountant may utilize subcontractors without the need to obtain the consent of City. Accountant shall be solely responsible for all work performed by its subcontractors.

Section 05 Time of Performance

The services of the Accountant shall commence upon execution of this Agreement by the City Manager and shall continue until no later than June 30, 2020. The period of performance may be extended for additional periods only by the mutual written agreement of the parties.

Section 06 Compensation

A. Subject to the provisions of this Agreement, the City shall pay the Accountant as outlined in the Engagement Letter (attached as Appendix A), attached hereto and incorporated herein by reference, for services required by this Agreement.

B. Airfare will be reimbursed at actual cost with Accountant purchasing the lowest fare possible and purchasing the travel at least two (2) weeks in advance whenever possible to keep costs down. No rental vehicles will be reimbursed. Lodging and per diem will be reimbursed at the current CONUS Rates notwithstanding any other earlier written or verbal communication.

C. Except as otherwise provided in this Agreement, the City shall not provide any additional compensation, payment, service or other thing of value to the Accountant in connection with performance of Agreement duties. The parties understand and agree that, except as otherwise provided in this section, administrative overhead and other indirect or direct costs the Accountant may incur in the performance of its obligations under this Agreement have already been included in computation of the Accountant's fee and may not be charged to the City.

D. Total annual compensation shall not exceed ***Fifty Thousand ($50,000) Dollars*** without the express written authorization of the City.

Section 07 Method and Time of Payment

A. Accountant shall invoice City on a monthly basis and City's payments are due within thirty (30) days of each invoice date. Such payments shall constitute the full and complete compensation for the Accountant's professional services. A billing is a summary of expenditures to date by line item categories (*e.g.*,

Personal Services, Travel, Contractual, Commodities and Equipment). Documentation of expenditures must be submitted with billings.

B. No payment will be disbursed until the work and associated expenditures are invoiced and have been approved by the City.

C. All invoices must be submitted in duplicate and addressed as follows:

Finance Director
City of Bethel
PO Box 1388
Bethel AK 99559-1388

D. It is expressly understood and agreed that in no event shall the total compensation due the Accountant exceed FIFTY THOUSAND ($50,000) DOLLARS per year unless this Agreement is modified, in writing and signed by both parties.

Section 08 Relationship of the Parties

A. Independent Contractor: Accountant is and shall be acting at all times as an independent contractor and not as an employee of City. Accountant shall secure, at its expense, and be responsible for any and all payment of Income Tax, Social Security, Unemployment Compensation, and other payroll deductions for Accountant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Accountant agrees to have all of its Employees and subcontractors complete an acknowledgment form provided by the City indicating they understand that at no time will they be acting as an employee of the City. (see Appendix B)

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Accountant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

Section 09 Ownership of Documents

All findings, reports, documents, information and data paid for by the City including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Accountant or any of its subcontractors in the course of performance of this Agreement, shall be for and remain the sole use of City. City agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of both City and Accountant. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Accountant. City shall indemnify and hold harmless Accountant from all claims, damages, losses, and

expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Accountant.

Section 10 Confidentiality

Any City materials to which the Accountant has access, information that reasonably might be construed as private or containing personal identifiable information, or materials prepared by the Accountant during the course of this Agreement (collectively referred to as "confidential information") shall be held in confidence by the Accountant, who shall exercise all reasonable precautions to prevent the disclosure of confidential information to anyone except the officers, employees and agents of the Accountant as necessary to accomplish the rendition of services set forth in this Agreement. Except as otherwise provided by law, Accountant shall not release any reports, information, private or promotional information or materials, whether deemed confidential or not, to any third party without the approval of the City.

Section 11 Responsibility for Errors

Accountant shall be responsible for its work under this Agreement. In the event that an error or omission attributable to Accountant occurs, then Accountant shall, at no cost to City, provide all necessary policies, estimates and other Accountant professional services necessary to rectify and correct the matter in accordance with accounting principles generally accepted in the United States of America.

Section 12 Insurance

A. Minimum Scope and Limits of Insurance. Accountant shall obtain and maintain during the life of this Agreement all of the following insurance coverages:
   1. Worker's Compensation Insurance – As required under AS 23.30.045 et seq.
   2. Commercial General Liability with limits of not less than Three Hundred Thousand ($300,00) Dollars combined single limit per occurrence;
   3. Comprehensive Automobile Liability – Covering all vehicles used by Accountant in the performance of this Agreement, with coverage not less than One Hundred Thousand ($100,00) Dollars per occurrence;
   4. Professional Liability Insurance – covering all errors, omissions or negligent acts of the Accountant, subcontractor or anyone directly or indirectly employed by them, made in the performance of this Agreement, which results in financial loss to the City. Coverage limits of not less than One Hundred Thousand ($100,000) Dollars per occurrence.

B. Endorsements. Whenever feasible and as allowed by law, all policies of insurance shall contain or be endorsed to contain the following provisions:
   1. Should any of the described policies be canceled or materially changed in coverages provided before expiration thereof, City, as certificate holder, will be provided no less than forty-five (45) days written notice.
   2. Other insurance: "Any other insurance maintained by the City of Bethel shall be excess and not contributing with the insurance provided by this policy."

C. Certificates of Insurance: Accountant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement.
D. Non-limiting: The requirement for this section shall not be construed as a representation that such insurance coverage is adequate or limits Accountant's liability.

Section 13 Defense and Indemnification: Accountant to City

To the fullest extent permitted by law, the Accountant assumes liability for and shall save and protect, hold harmless, indemnify, and defend the City and its elected and appointed officials, officers, and employees (all the foregoing, hereinafter collectively, "Indemnities") from and against all claims, suits, demands, damages, losses, expenses, and liabilities of any kind whatsoever (all the foregoing, hereinafter collectively "Claims") including, without limitation, attorneys' fees, arising out of, resulting from, relating to, or claimed to have arisen out of, resulted from or related to the engagement of Accountant or the performance of this Agreement by the Accountant (including its subcontractors and suppliers).

It is expressly intended by the parties that Accountant's indemnity and defense obligations shall apply, and Indemnities shall be fully indemnified without offset, deduction or contribution, regardless of any negligence or other fault of Indemnities, or any of them, and whether or not such Indemnities negligence or other fault caused or contributed to the arising of the Claims.

"Claims" as used in this section shall include, without limitation, those for personal injuries, wrongful death, mental or emotional distress, loss of consortium, damage to or loss of use of real, personal or intangible property of any kind, loss of income, loss of earning capacity, and business, financial, commercial or pecuniary losses of any kind whatsoever, and attorneys fees, and costs and expenses of any kind whatsoever.

Accountant's indemnity and defense obligations shall cover the acts or omissions of any of Accountant's subcontractors, and suppliers, and the employees of any of the foregoing.

The Accountant's indemnity and defense obligation under this Section includes, without limitation, any claims, suits, demands, damages, losses, expenses, and liabilities arising from allegations of violations of any federal, State, or local law or regulation, and from allegations of violations of Accountant's or its subcontractor's personnel practices or from any allegation of an injury to an employee of the Accountant or subcontractor performing work or labor necessary to carry out the provisions of this Contract.

The indemnification obligations in this Section shall not be construed to negate, abridge or otherwise reduce any other obligation of indemnity the Accountant may

have with respect to the City which may otherwise exist. If any judgment is rendered against the City or any of the other individuals enumerated above in any such action, the Accountant shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination or expiration of this Agreement.

Section 14: Defense and Indemnification: City to Accountant

To the fullest extent permitted by law, City assumes liability for and shall save and protect, hold harmless, indemnify, and defend the Accountant and its officials, officers, sub contractors, and employees (all the foregoing, hereinafter collectively, "Indemnities") from and against all claims, suits, demands, damages, losses, expenses, and liabilities of any kind whatsoever (all the foregoing, hereinafter collectively "Claims") including, without limitation, attorneys' fees, arising out of, resulting from, relating to, or claimed to have arisen out of, resulted from or related to the actions or inactions of City or the performance of this Agreement by the City.

It is expressly intended by the parties that City's indemnity and defense obligations shall apply, and Indemnities shall be fully indemnified without offset, deduction or contribution, regardless of any negligence or other fault of Indemnities, or any of them, and whether or not such Indemnities negligence or other fault caused or contributed to the arising of the Claims.

"Claims" as used in this section shall include, without limitation, those for personal injuries, wrongful death, mental or emotional distress, loss of consortium, damage to or loss of use of real, personal or intangible property of any kind, loss of income, loss of earning capacity, and business, financial, commercial or pecuniary losses of any kind whatsoever, and attorneys fees, and costs and expenses of any kind whatsoever.

City's indemnity and defense obligations shall cover the acts or omissions of any of City's elected officials, officers and employees.

The City's indemnity and defense obligation under this Section includes, without limitation, any claims, suits, demands, damages, losses, expenses, and liabilities arising from allegations of violations of any federal, State, or local law or regulation, and from allegations of violations of City's personnel practices or from any allegation of an injury to an employee of the City or subcontractor performing work or labor necessary to carry out the provisions of this Contract.

The indemnification obligations in this Section shall not be construed to negate, abridge or otherwise reduce any other obligation of indemnity the City may have with respect to the Accountant which may otherwise exist. If any judgment is rendered against the Accountant or any of the other individuals enumerated above in any such action, the City shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination or expiration of this Agreement.

Section 15 Modifications

The parties may mutually agree to modify the terms of the Agreement. Modifications to the Agreement shall be incorporated into the Agreement by written amendments signed by both parties.

A. Additional Services. Accountant shall not receive compensation for any services provided outside the scope of services specified in the Proposal unless prior to Accountant performing the additional services, the City approves such additional services in writing and in advance. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

Section 16 Equal Employment Opportunity

The Accountant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical handicap, age, status as a disabled veteran, or veteran of the Vietnam War era. The Accountant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identification, national origin, physical handicap, age, status as a disabled veteran, or veteran of the Vietnam War era. Such actions shall include, but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; selection for training, including apprenticeship; and participation in recreational and educational activities. The Accountant agrees to post in conspicuous places available for employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause. The Accountant will, in all solicitations or advertisements for employees placed by or on behalf of the Accountant; state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, physical handicap, age, or status as a disabled veteran, or veteran of the Vietnam War era. The Accountant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement.

Section 17 Termination of Agreement for Cause

If, through any cause, the Accountant shall fail to fulfill in a timely and proper manner the obligations under this Agreement or if the Accountant shall violate any of the covenants, agreements, or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving written notice to the Accountant of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination.

If, through any cause, the City shall fail to fulfill in a timely and proper manner the obligations under this Agreement or if the City shall violate any of the covenants, agreements, or stipulations of this Agreement, the Accountant shall thereupon have the right to terminate this Agreement by giving written notice to the City of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination.

The Accountant shall be entitled to receive compensation in accordance with the payment provisions of this Agreement only for work invoiced and completed in accordance with accounting principles generally accepted in the United States of America in accordance with Appendix "A" of this Agreement and the other terms of this Agreement.

Section 18 Termination for Convenience

Either party may terminate this contract at any time by giving written notice to the other party of such termination and specifying the effective date of such termination. In no event shall notice be less than thirty (30) days prior to termination. The Accountant shall be entitled to receive compensation for all work completed prior to termination of this Agreement but only for work completed in accordance with accounting principles generally accepted in the United States of America in accordance with Appendix "A" of this Agreement and the other terms of this Agreement. If this Agreement is terminated due to the fault of the Accountant, Section 16 of this Agreement shall govern the rights and liabilities of the parties.

Section 19 Causes beyond Control

In the event the Accountant is prevented by a cause or causes beyond control of the Accountant from performing any obligation of this Agreement, non-performance resulting from such cause or causes shall not be deemed to be a breach of this Agreement which will render the Accountant liable for damages or give rights to the cancellation of the Agreement for cause. However, if and when such cause or causes cease to prevent performance, the Accountant shall exercise all reasonable diligence to resume and complete performance of the obligation with the least possible delay. The phrase "cause or causes beyond control," as used in this section, means any one or more of the following causes which are not attributable to the fault or negligence of the Accountant and which prevent the performance of the Accountant: fire, explosions, acts of God, war, orders or law of duly constituted public authorities, and other major uncontrollable and unavoidable events, all of the foregoing which must actually prevent the Accountant from performing the terms of the Agreement as set forth herein. Events which are peculiar to the Accountant and would not prevent another Accountant from performing, including, but not limited to financial difficulties, are not causes beyond the control of the Accountant. The City will determine whether the event preventing the Accountant from performing is a cause beyond the Accountant's control.

Section 20 Assignability

A. The Accountant shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of the City, thereto; provided, however that claims for money due or to become due to the Accountant from the City under this Agreement may be assigned by court order or to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City, or the Accountant shall be responsible to the

City for any moneys due the assignee of this Agreement which are paid directly to the Accountant.

Section 21 Permits, Laws and Taxes

A. The Accountant shall acquire and maintain in good standing all permits, licenses and other entitlements necessary to the performance under this Agreement. All actions taken by the Accountant under this Agreement shall comply with all applicable statutes, ordinances, rules and regulations. The Accountant shall pay all taxes pertaining to its performance under this Agreement.

B. Prior to commencing any work for the City, Accountant shall provide the City with copies of the following:
   1. Copy of current State of Alaska Business License;
   2. Copy of current City of Bethel Business License;
   3. Copy of insurance certificates indicating compliance with all insurance requirements of Section 12 above.
   4. Computer Access Agreement

Section 22 Agreement Administration

A. The Finance Director, or his designee, will be the representative of the City administering this Agreement.

B. The services to be furnished by the Accountant shall be administered, supervised, and directed by Carmen Jackson. In the event that the individual named above or any of the individuals identified in the proposal to perform work under the Agreement are unable to serve for any reason, the Accountant shall appoint a successor in interest subject to a written approval of the City of Bethel.

Section 23 Integration

This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties. To the extent they are not inconsistent with the terms of this Agreement; the following documents are incorporated by reference into this Agreement as if fully set forth herein:

1. City's Request for Proposals
2. Accountant's Proposal
3. Accountant's Engagement Letter

Section 24 Interpretation and Enforcement

This Agreement is being executed by the parties following negotiations between them. It shall be construed according to the fair intent of the language as a whole, not for or against any party. The titles of sections in this Agreement are not to be construed as limitations or definitions but are for identification purposes only.

Section 25 Severability
If any section or clause of this Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of this Agreement shall remain in full force and effect.

Section 26 Understanding
The Accountant acknowledges that the Accountant has read and understands the terms of this Agreement, has had the opportunity to review the same with counsel of their choice, and is executing this Agreement of their own free will.

Section 27 Notices
Any notice required pertaining to the subject matter of the Agreement shall be personally delivered or mailed by prepaid first-class, registered or certified mail to the following address:

City: City Attorney
City of Bethel
PO Box 1388
Bethel AK 99559

Accountant: Carmen Jackson, Owner
Carmen Jackson, CPA
3500 N. Wolverine Drive
Wasilla AK 99654

Section 28 Jurisdiction; Choice of Law
Any civil action arising from this Agreement shall be brought in a Superior Court in the State of Alaska. The law of the State of Alaska shall govern the rights and obligations of the parties.

Section 29 Non-Waiver
The failure of the City at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provisions, nor in any way affect the validity of this Agreement or any part thereof, or the right of the City thereafter to enforce each and every protection hereof.

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Section 30 Non Exclusive Agreement

Accountant acknowledges that City may enter into agreements with other Accounting Firms for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

CITY OF BETHEL

By: Ann K. Capela
Title: City Manager
Dated: 01/19/16

CARMEN JACKSON CPA

By: Carmen Jackson
Title: Owner
Dated: January 19, 2016

CITY OF BETHEL
REMOTE COMPUTER ACCESS AGREEMENT

This Remote Computer Access Agreement (hereinafter "Agreement") entered into this 12th day of January 2016, by and between the City of Bethel (hereinafter "City") and

Name of Company:	Carmen Jackson CPA
Principal Agent:	Carmen Jackson
Address:	3500 N. Wolverine Drive
City, State, Zip:	Wasilla, AK 99654
Tax ID No:	47-2701898

(hereinafter "Client")

The purpose of this Agreement is to establish appropriate use of City of Bethel financial information, accounts and computer information. The City computer systems and networks are provided to support the mission of the City. Computer clients do not own accounts on the City's computers, but are granted the privilege of exclusive use of an account. At all times, clients using the City's network and accounts must adhere to legal, ethical and confidentiality standards. Failure to comply with acceptable standards may result in suspension or revocation of privileges.

In consideration of the promises contained herein, Client and City agree as follows:

1. **Access to Computer System**

Subject to the provisions of this paragraph, City shall allow Client controlled access to its Casselle Program, to conduct activities on behalf of the City. Such activities include, but are not limited to, bank reconciliation, Accounts Payable transactions, Accounts Receivable Transactions, Sales Taxes and the Posting of W2 forms for the IRS. Client's access to City's computer system shall be limited to those portions of Casselle designated by City.

2. **Confidential and Proprietary Information**
   a. Client understands and acknowledges that any and all of City's information, data or documentation accessed by Client is considered confidential and/or proprietary (hereinafter referred to as "Confidential Information"). City's Confidential Information includes, but is not limited to, information from Casselle, the accounting department, the IRS, banks, vendors, payees and payors.
   b. Client, as well as its officers, directors, subcontractors and employees, shall at all times preserve the confidentiality of all Confidential Information and/or the proprietary system and shall not at any time, in manner or form, directly or indirectly, copy, disclose, duplicate, download, license, sell, reveal, divulge, transfer, publish or communicate, in whole or in part, any such Confidential Information and/or the proprietary system to any third party, except as provided below.

c. Client agrees that it will only disclose the Confidential Information as required by the Professional Services Agreement or as required by Law.
d. Client agrees that it will not use or disclose the Confidential Information for employment related actions or decisions.
e. Client will require any billing agency, clearinghouse or other such agent, that is permitted through an agreement with Client to access City's information, to provide reasonable assurance, evidenced by written contract, that such billing agency, clearinghouse or other agent will comply with the privacy and security safeguard obligations of Client and City with respect to City information.

3. **Privacy of Computer and Network Client Information**

The CITY's IT will do its due diligence in taking every precaution possible to protect and secure data. Data security is a partnership between CLIENT and the CITY. The same security standards that apply to paper files should be applied to electronic files. CLIENT is responsible for maintaining a level of confidentiality in accordance with their role as the CITY.

It should be noted that the CITY monitors and randomly inspects all access to its Computer Systems. Communications and transmissions between CITY and CLIENT or access to CITY's computer systems may be monitored at any time without notice. CLIENT should have no expectation of data privacy when using the CITY's network.

The CITY does not monitor transmissions for the purpose of censorship, but may monitor transmissions should a violation of regulations be alleged. Authorized personnel within the Information Technology office may also monitor transmissions in the course of performing routing maintenance or troubleshooting network or account problems.

System administrators may examine or make copies of files that are suspected of misuse or that have been corrupted or damaged. CLIENT files may be subject to search by law enforcement agencies under court order if such files contain information which may be used as evidence in a court of law. IT professional staff may access CITY-owned computers to perform system maintenance either on-site or using remote tools as necessary without prior notification.

4. **Protection of Data**

By entering into this Agreement, CLIENT acknowledges its responsibility to ensure the confidentiality, integrity and availability of all forms of CITY information in a manner consistent with its sensitivity. CLIENT accepts responsibility to provide reasonable physical security for all of CITY's information and resources issued to provide remote access. CLIENT agrees to implement and maintain the following mandatory countermeasures on equipment used to process CITY information:

a. Configure computers to not automatically "remember" CITY passwords.
b. Do not share or reveal CITY usernames and passwords to anyone (including family members) to prevent unauthorized access to CITY IT Systems and Data.
c. Install and configures to automatically update (at least bi-monthly), and run anti-virus software on equipment used for remote access.
d. Install and update (at least monthly) security related patches on CLIENT owned devices that can be patched.

e. Clear browser history and cache and close browser when finished with remote access needs for CLIENT owned equipment.
f. Encrypt authentication credentials.
g. Do not save CITY information and applications on the hard drive of the remote access computer unless such information is required as supporting work papers for client to maintain professional standards.
h. Agree to comply with regularly scheduled maintenance requirements for CITY resources.
i. Never configure remote access computers as servers (e.g., web servers, private email servers, etc.)
j. Install and use password-protected screensavers when idle for fifteen (15) minutes or more.
k. Anti-virus software is required on all equipment connecting to the City's computers.
l. A personal firewall is required on CLIENT-owned equipment and on personally owned equipment when broadband technologies are used.
m. Remote access users will maintain hardware and software as requested by the CITY's IT Department.

5. **Computer Incidents**

CLIENT also acknowledges the possibility, however small, that such information could potentially be viewed or downloaded by other than those intended as a result of CLIENT's remote access. CLIENT fully understands that it is their duty to exercise due care in protecting this information and to immediately report an unauthorized disclosure o compromise to the CITY so that appropriate procedures may be initiated. CLIENT further understands that, if required by law, by and after proper coordination (properly executed warrants, etc.) with law enforcement authorities, the device used to gain remote access may be temporarily seized for the purpose of forensic examination and sanitizing of compromised information. During that process, CLIENT understands there is a risk that system files and programs may be erased or damaged, or that unintentional damage may occur to the computer hard drive.

6. **Limited Use**

Client agrees that it shall use the Confidential Information only to perform activities, as described in the Professional Services Agreement. Client shall not, under any circumstances, use the Confidential Information to perform any other services other than those designated in the Professional Services Agreement.

7. **Unacceptable Conduct**

Following are unacceptable conduct:

A. Compliance

- Illegal use or misconduct of any kind (including but not limited to copyright infringement)
- Violation of local, state or federal laws;
- Using peer-to-peer file sharing unless specific instances are authorized by the CITY

B. Network and Internet Access

- Connecting unauthorized devices to the City network. **No network access device, including but not limited to wireless access points, switches, routers, hubs, network based storage, pico cell technology or personal DHCP servers, may be connected to the CITY network without authorization from IT.**
- Modifying or extending network services and network wiring without the prior written consent of the CITY's IT.
- Unauthorized access;
- Use that disrupts the work of others either locally or on the Internet including initiating "spam" email or use that results in technical difficulties. In either case, IT will take all steps necessary to protect the network.
- Using TCNJ resources to send mass emails without administrative approval will be considered "spam" and will be considered a violation of this Agreement.
- Masquerading your identity, impersonating other persons or businesses or misrepresenting the CITY via email, instant message or other Internet presence will be considered a violation of this Agreement.
- Installing software that may compromise the security of CITY owned equipment.

C. Data Protection/Privacy

- Providing access to anyone other than CLIENT's employees or subcontractors for any purpose other than those that are in direct support of the Professional Services Agreement;
- Forging the identity of a client or a machine in and electronic communication.
- Use of CITY owned computer facilities by unauthorized personnel;
- Unauthorized attempts to circumvent data protection schemes or uncover security flaws. This includes creating and/or running programs that are designed to identify security loopholes and/or decrypt intentionally secure data.
- Attempting to monitor or tamper with another client's electronic communications, or reading, copying, changing or deleting another client's files or software without the explicit agreement of the CITY.
- Use of a computer account that was not assigned to CLIENT by the CITY's IT, unless multiple access has been authorized for the account and/or the owner of the account has specifically given you access.
- CLIENT must make a reasonable attempt to protect their account/access from being accessed by others. This includes having a secure password and maintaining proper access permissions on sensitive files.
- It is CLIENT's responsibility to use strong passwords and to change those passwords often. Passwords should not be shared or written down or displayed publicly.

8. Prohibition Against Third Party Access

Client agrees that it will not act as an electronic "hub" or "switch" allowing other third parties to access, via Internet, or any other method, City's information systems through Client's access path, as authorized under this Agreement, without the prior written consent of the City.

9. Indemnification

Client will access the Confidential Information from City and in accessing this information obtained by City, Client agrees to indemnify and hold harmless City for damages, lawsuits, judgments, expenses and attorney fees incurred by City: (1) as a direct result of negligence, gross negligence, bad faith, dishonesty or criminal conduct on the part of Client, its employees, its officers, directors or subcontractors in the use of the aforementioned Confidential Information; (2) as a result of Client's releasing the Confidential Information to any third-party, or as a result of the Client, providing access of the information to an individual who does not have an important business need.

10. Applicable Law

The validity, performance and construction of this Agreement will be governed by the laws of the State of Alaska.

11. Complete Agreement

This Agreement, as well as the Professional Services Agreement, and any other required and duty executed attachments, all of which are incorporated by reference and made a part of this Agreement, constitutes a final written expression of all terms of the Agreement between City and Client and is a complete and exclusive statement of those terms and no representations, statements or other Agreements, oral or written, made prior to the execution of this Agreement shall be valid. No addition to or modification of any provision of this Agreement will be binding upon CITY or upon CLIENT unless made in writing and signed by duly authorized representatives of CITY and of CLIENT respectively.

12. Termination

Either party may terminate this Agreement, with or without cause, upon ten (10) days written notice. If this Agreement terminates, CLIENT agrees that the terms, rights, duties and conditions contained in Paragraph 2 and Paragraph 10 shall survive the termination of this Agreement. The parties also agree that CITY may terminate this Agreement immediately without notice, in the event CLIENT violates the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers who have been duly authorized to execute this Agreement.

CLIENT: CARMEN JACKSON CPA	**CITY OF BETHEL**
By: Carmen Jackson	By: Ann K. Capela
CPA/Owner Title	City Manager Title
January 12, 2016 Date	01/19/2016 Date

CPA : CARMEN JACKSON

December 10, 2015

Ann Capela, City Manager
City of Bethel
PO Box 1388
Bethel, AK 99559

Dear Ann:

I appreciate the opportunity to work with you. This letter is to confirm and specify the terms of my engagement with you. I hope to better meet your expectations of service by clearly identifying the particular services to be provided and their frequency. The services will cover the fiscal year ending June 30, 2016.

You are responsible for assuming all management responsibilities, and for overseeing any accounting services or other services I provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition, you are responsible for evaluating the adequacy and results of and accept responsibility for the results of such services.

None of the services can be relied on to disclose errors, fraud, or illegal acts. However, I will inform you of any material errors and of any evidence of information that comes to my attention during the performance of my procedures, that fraud may have occurred. In addition, I will inform you of any evidence or information that comes to my attention during the performance of my procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. I have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. I am not a forensic accountant and do not possess credentials as such.

I have indicated the services that I expect to provide. The frequency of the services will be on site for one week per month plus additional hours via remote access as requested. Please review the information below and make any changes necessary.

- journal entries
- accounts payable processing
- payroll processing
- bank reconciliations
- annual audit preparation
- sales tax audits
- grant reporting
- budget preparation

3500 N. Wolverine Drive
Wasilla, Alaska 99654
(907) 232-2671

Rural Financial Services : Management Services
Rural Tax Services : Write-up Services
Consultant Services : Referral Services

FB : carmenjacksoncpa
W : carmenjacksoncpa.com
E : carmenjackson@cpa.com

Carmen Jackson is the engagement partner and is responsible for supervising the engagement and signing reports or authorizing another individual to sign.

To ensure that my independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform me before entering into any substantive employment discussions with any of my personnel.

I may from time to time, and depending on the circumstances, use certain third-party service providers in serving your account. I may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and I will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that I am unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third- party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

Fees for these services will be $125 per hour for CPA services, $85 per hour for Accounting Assistant, and $65 per hour for Administrative staff. You will also be billed for my-of-pocket costs such as report production, word processing, postage, travel, lodging, etc. No retainer will be required for this engagement. All fee estimates are based on anticipated cooperation from you and/or your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, I will discuss it with you before I incur the additional costs. My invoices for these fees will be rendered each month or on a per event basis and are payable on presentation.

In accordance with my firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If I elect to terminate services for nonpayment, the engagement will be deemed to have been completed upon written notification of termination, even if I have not completed a report. You will be obligated to compensate me for all time expended and to reimburse me for all out-of-pocket expenditures through the date of termination.

You may request that I perform additional services not contemplated by this engagement letter. If this occurs, I will communicate with you regarding the scope of the additional services and the estimated fee. I may also issue a separate engagement letter covering the additional services. In the absence of any other written communication from me documenting such additional services my services will continue to be governed by the terms of this engagement letter.

I appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of me engagement. If you have any questions, please let us know. If you

agree with the terms of the engagement as described in this letter, please sign the enclosed copy and return it to me.

If you have any questions, please do not hesitate to contact me. I appreciate the opportunity to work with you.

Sincerely,

Carmen Jackson, CPA

Accepted by:

Ann Capela

01/19/16
Date

Comments or additional requests:

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