

**AMENDMENT 2
OF THE
MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN
THE CALIFORNIA STATEWIDE AUTOMATED WELFARE SYSTEM
CONSORTIUM IV AND THE COUNTY OF _____**

INTRODUCTION

The purpose of this Amendment of the MOU is to delineate the areas of understanding and agreement between the Consortium and the County with regards to costs properly incurred by the Consortium, but designated by the State of California as ineligible for reimbursement by the State to the Consortium. Consortium costs that have received this designation include, but are not limited to, the SAS 70 audit, the annual financial statement audits, the Joint Powers Authority insurance, and other administrative costs. The parties to this MOU also wish to make provision for payment in the event the State of California designates additional costs as ineligible for reimbursement to the Consortium.

NOW THEREFORE, the MOU is amended as follows, effective as of the date of the signature by County below:

1. Section II is amended to include:

2.7. Unfunded Costs. "Unfunded Costs" are costs properly incurred by the Consortium but designated by the State of California as ineligible for reimbursement to the Consortium by the State. On or before April 1st of each year, the Consortium, with the concurrence of the Consortium's member counties as defined in Section 2.07 of the Joint Exercise of Powers Agreement (of which County is a member), will approve a schedule of Unfunded Costs for the upcoming fiscal year (July 1st through June 30th). The Consortium will give County notice of the approved schedule within ten days of such approval.

2.7.1. County hereby agrees to contribute to the Consortium its share of Unfunded Costs, as determined by the Consortium in Section 3.8 below, in advance pursuant to California Government Code section 6504.

2.7.2. County shall also contribute an amount equal to any penalties, fines, finance charges, interest or other costs that may result in the event County's tardy payment(s) result in insufficient funds to pay the Consortium's expenses when due.

2.7.3. If, during the term of this MOU, County is unable to appropriate sufficient funds to meet its obligation under this Section 2.7, and there are no other legal procedures or available funds by or with which such obligations can be met, County shall have the right to terminate this MOU and withdraw its membership from the Consortium effective as of the end of that fiscal year by adoption of a resolution of withdrawal by County's Board of Supervisors, provided that a copy of said resolution has been served on all other county members of the Consortium by May 31st of that fiscal year. Withdrawal under this subsection shall not relieve County of any financial obligations or liability arising prior to the effective date of the withdrawal.

2. Section III is amended to include:

3.8. Allocation of Unfunded Costs.

3.8.1. The Consortium shall approve the basis on which Unfunded Costs are allocated to the County. On an annual basis, or more frequently as needed, the Consortium shall establish a schedule of required advances for the upcoming fiscal year. At least one advance shall be scheduled for each quarter of the Consortium's fiscal year.

Intentionally left blank.

3. All other terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed and attested by their proper officers thereunto duly authorized, and their official seal to be affixed, as of the day and year written.

Dated: _____

Consortium:

**California Statewide Automated Welfare
System Consortium IV**

By: _____

LINDA HAUGAN, Chair
C-IV Board of Directors

Dated: _____

COUNTY:

County of _____

By: _____