



Contract Number: 100221.09.04

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## CLALLAM COUNTY INTERLOCAL AGREEMENT

### PARTIES:

Pursuant to Chapter 39.34 of the Revised Code of Washington and other provisions of the law, William Shore Memorial Pool District, hereinafter called DISTRICT and CLALLAM COUNTY, a political subdivision of the State of Washington, hereinafter called COUNTY, hereby agree to cooperatively obtain services according to the following terms and conditions:

### THIS AGREEMENT IS BASED ON THE FOLLOWING PREMISES:

1. The Washington State Auditor's Office has advised the COUNTY regarding COUNTY AND DISTRICT responsibilities for accounts payable, payroll, and budgets.
2. The County does not provide accounting services for the DISTRICT and is not responsible to audit expenditures in accounts payable or payroll to ensure accuracy or to ensure compliance with budgetary and accounting standards.
3. It is the DISTRICT's responsibility to ensure funds exist to pay bills and/or payroll, budgetary compliance, compliance with purchasing procedures required by statute, and that funds are spent for legal purposes. It is the DISTRICT's responsibility to maintain records and documentation in accordance with state and federal requirements.
4. The COUNTY and DISTRICT desire to continue working together to facilitate a cooperate method of processing the DISTRICT's accounts payable and payroll.

### BASED ON THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREED AS FOLLOWS:

1. **Duration.** This agreement shall be in effect as of the date of signature and continue in effect until terminated as specified in this agreement under Item 7, **Termination.**
2. **Purpose.** The purpose of this agreement is to establish responsibilities of both parties for financial transactions accomplished by the COUNTY on behalf of the DISTRICT and to terminate any prior agreements between COUNTY and DISTRICT to provide accounts payable and payroll services.
3. **Accounts Payable.**  
Both Parties agree: It is the COUNTY's responsibility to pay invoices through its accounts payable process, based on invoices submitted by the DISTRICT. It is recognized and agreed that the COUNTY does not audit invoices of the DISTRICT to ensure payment from the correct Budget Accounting and Reporting System (BARS) account, budgetary compliance, or that funds are spent for legitimate purposes.

DISTRICT agrees to:

- Comply with procedures required by the County Auditor.
- Submit accounts payable in accordance with and on forms developed by the County Auditor.
- Ensure the accuracy of submitted information.
- Ensure funds exist to pay bills, budgetary compliance, compliance with purchasing procedures required by statute, and that funds are spent for legal purposes. Maintain records and documentation in accordance with state and federal requirements.

- Provide Auditor's accounts payable with a contact person for accounts payable administration.
- Provide the Auditor with, and maintain, a signature authorization for invoice processing.

COUNTY agrees to:

- Provide and maintain written requirements, forms, standards for submission, and instructions for accounts payable.
- Create warrants for distribution in a timely manner following proper submission of required information and required certifications.
- Redeem warrants in accordance with applicable statutes.

4. **Budget and Financial Operations.**

DISTRICT agrees to:

- Monitor balance sheets, expenditure and revenue reports and to report any errors to the COUNTY Auditor's Chief Accountant.
- Comply with generally accepted accounting principles (GAAP) required by statute and the State Auditor including but not limited to use of BARS, and compliance with budgetary, purchasing, documentation, and records retention requirements.
- Provide notice to the COUNTY Budget Director of changes to budget allocations.
- Provide advance notice to the COUNTY Treasurer whenever possible of financial transactions that require changes to investments.

COUNTY agrees to:

- Maintain and utilize a financial system that records and provides accounting for revenue, expenditure, budgetary, and balance sheet accounts of the DISTRICT.
- Act as Treasurer for the DISTRICT and to maintain funds in accordance with generally accepted accounting principles.
- Invest excess DISTRICT funds in accordance with COUNTY practices and standards.
- Provide regular reports on investments of DISTRICT funds.
- Provide regular revenue and expenditure status reports on funds of the DISTRICT.

5. **Payroll.**

Both Parties Agree:

- The COUNTY provides limited payroll services to junior taxing districts as a billable. The COUNTY charges a fee for such services.
- The DISTRICT may choose to utilize the COUNTY's payroll services or may provide payroll themselves or through a third party. If the DISTRICT chooses to provide payroll services either themselves or through a third party, the DISTRICT will establish necessary bank account(s) for payroll and submit payroll as an accounts payable in accordance with this agreement.

If the COUNTY provides payroll services the DISTRICT agrees to:

- Comply with procedures required by the COUNTY Human Resources Department (HR).
- Submit payroll in accordance with and on forms developed by the COUNTY HR.
- Ensure the accuracy of submitted information.
- Ensure funds exist to pay payroll, budgetary compliance, compliance with purchasing procedures required by statute, and that funds are spent for legal purposes. Maintain records and documentation in accordance with state and federal requirements.
- Provide the COUNTY HR with a contact person for payroll administration.
- Require that all new employees during the term of this agreement utilize direct deposit for payroll.
- Make payment for payroll services within 30 days of billing by the COUNTY.

If the COUNTY provides payroll services the COUNTY agrees to:

- Provide and maintain written requirements, forms, standards for submission, and instructions for payroll.

- Create and distribute payroll warrants and direct deposit on the same schedule as COUNTY payroll.
- Withhold employee deductions and make payment to vendors for such deductions.
- Prepare and distribute W-2's in accordance with state and federal statutes.
- Prepare and submit 941's and other payroll reports required by state and federal statutes.
- Provide at least 180 days written notice of any change to pay dates.
- Bill quarterly for payroll services.

6. **Administration and Notice.**

The County Administrator, on behalf of the COUNTY, and the DISTRICT Chair of the Board, on behalf of DISTRICT, are responsible for administration of this agreement. All notices envisioned under this agreement shall be given by first class, United States mail, postage prepaid and addressed as follows:

Clallam County Commissioners' Office  
 ATTN: County Administrator  
 223 E 4<sup>th</sup> Street, Suite 4  
 Port Angeles, WA 98362-3015

and

William Shore Memorial Pool District  
 321 East 5<sup>th</sup> Street  
 Port Angeles, WA 98362

All notices shall be deemed given no earlier than when properly deposited in the United States mail. The postmark on the envelope bearing any notice shall be conclusive evidence of the date of the deposit in the mails of the United States.

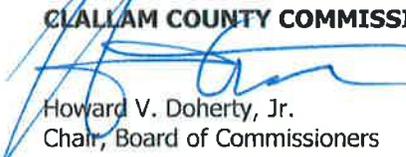
7. **Termination.** This agreement may be terminated by either party after 90 days written notice.
8. **Severability.** If any provision of this agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this agreement which can be given effect without the invalid provision, and to this end the provisions of this agreement are declared to be severable.

Approved this third day of November 2009

**WILLIAM SHORE MEMORIAL POOL DISTRICT**

  
 Dan Di Guilio  
 Chair, Board of Commissioners

**CLALLAM COUNTY COMMISSIONERS**

  
 Howard V. Doherty, Jr.  
 Chair, Board of Commissioners

**ATTEST:**

  
 Trish Holden, CMC, Clerk of the Board

**Approved as to Form:**

  
 Mark Nichols, Chief Deputy Prosecuting Attorney