

Master Services Agreement

County of Nevada
950 Maidu Avenue, Suite 230
Nevada City, CA 95959
MSA Date: August 22, 2023

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for County of Nevada (“you,” or “your”)(CLA and the County of Nevada may be referred to together as the “Parties” or individually as a “Party”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

1. **Scope of Professional Services**

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose all errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal controls as part of any services.

2. **Management responsibilities**

You acknowledge and understand that our role is to provide the services identified in an SOW and that management, and any other parties engaging CLA, have responsibilities that are fundamental to our undertaking to perform the identified services.

3. **Fees and terms**

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA’s electronic payment platform, or any other client initiated payment method approved by CLA. CLA’s electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated

Clearing House (ACH) payments. Instructions for you to make direct bank to bank wire transfers or ACH payments will be provided upon request.

4. **Other Fees**

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

5. **Finance charges and collection expenses**

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

6. **Dispute Resolution**

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

7. **Limitation of remedies and indemnification**

Limitation of Liability

These limitation of remedies provisions are not applicable for any audit or examination services provided to you.

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party").

Indemnification

To the fullest extent permitted by law, each Party (the "Indemnifying Party") hereby agrees to protect, defend, indemnify, and hold the other Party (the "Indemnified Party"), its officers, agents, employees, and volunteers, free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character resulting from the Indemnifying Party's gross negligence or willful misconduct, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the

Indemnified Party arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the Indemnified Party) and without limitation, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the Contract. The Indemnifying Party agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Indemnifying Party, using legal counsel approved in writing by Indemnified Party. Indemnifying Party also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against either Party or to enlarge in any way either Party's liability but is intended solely to provide for indemnification of the Indemnified Party from liability for damages, or injuries to third persons or property, arising from or in connection with Indemnifying Party's performance pursuant to this Contract. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this MSA, if any.

8. Governing Laws, Jurisdiction, and Venue

The MSA is made under and shall be governed by the laws of the state of California, without giving effect to choice of law principles. This includes dispute resolution and limitation of remedies. The venue for any legal proceedings regarding this MSA shall be the County of Nevada, State of California. Each Party waives any federal court removal and/or original jurisdiction rights it may have.

9. Time limitations

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this MSA or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within these periods ("Limitation Period"), which vary based on the services provided, and may be modified as described in the following paragraph:

Service	Time after the date we deliver the services or work product*
Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information	24 months
All Other Services	12 months

*pursuant to the SOW on which the dispute is based

If the MSA is terminated or your ongoing relationship with CLA is terminated, then the applicable Limitation Period is the lesser of the above periods or 12 months after termination of MSA or your ongoing relationship with CLA. The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

10. Confidentiality

Except as permitted by the "Consent" section of this MSA, CLA will not disclose any of your confidential, proprietary, or privileged information to any person or party, unless you authorize us to do so, it is published or released by you, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law, regulation, or professional standard. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us. You also consent to our disclosure of information regarding the nature of services we provide to you to another independent network member of CLA Global, for the limited purpose of complying with professional obligations regarding independence and conflicts of interest.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

The workpapers and files supporting the services we perform are the sole and exclusive property of CLA and constitute confidential and proprietary information. We do not provide access to our workpapers and files to you or anyone else in the normal course of business. Unless required by law or regulation to the contrary, we retain our workpapers and files in accordance with our record retention policy that typically provides for a retention period of seven years. After this period expires, our workpapers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The workpapers and files of our firm are not a substitute for your records.

Pursuant to authority given by law, regulation, or professional standards we may be requested to make certain workpapers and files available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers and files will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers and files to such regulator. The regulator may intend, or decide, to

distribute the copies or information contained therein to others, including other governmental agencies.

11. Other provisions

You agree that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this MSA, except as may be assumed in an SOW.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, any sensitive data, including protected health information and personally identifiable information, must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all sensitive data, please contact us to discuss other potential options for transmitting the document or file.

CLA and certain owners of CLA are licensed by the California State Board of Accountancy. However, CLA has owners not licensed by the California State Board of Accountancy who may provide services under this MSA. If you have any questions regarding licensure of the personnel performing services under this MSA, please do not hesitate to contact us.

During the course of the engagement, there may be communication via fax or email. You are responsible to ensure that communications received by you or your personnel are secured and not shared with unauthorized individuals.

12. Consent to use financial information

We regularly aggregate anonymized client data and perform a variety of analyses using that aggregated data. Some of these analyses are published to clients or released publicly. However, we are always careful to preserve the confidentiality of the separate information that we obtain from each client, as required by the AICPA Code of Professional Conduct and various laws. Your acceptance of this MSA will serve as your consent to our use of County of Nevada anonymized data in performing and reporting on these cost comparison, performance indicator and/or benchmarking analyses.

Unless authorized by law or the client consents, we cannot use a client's tax return information for purposes other than the preparation and filing of the client's tax return. By signing and dating this MSA, you authorize CLA to use any and all information furnished to CLA for or in connection with the preparation of the tax returns under this MSA, for a period of up to six (6) years from the date of this MSA, in connection with CLA's preparation of the types of reports described in the foregoing paragraph.

13. Health Insurance Portability and Accountability Act (HIPAA) business associate agreement

CLA acknowledges that it may be a "Business Associate" for purposes of this MSA and of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act of 2009 ("HITECH") per 45 CFR §160.103 and therefore is directly subject to the HIPAA Security Rule, Privacy Rule and Enforcement Rule, including its civil and criminal penalties. CLA agrees to implement the security and privacy standards described above, and further agrees to sign the County's HEALTH

INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) BUSINESS ASSOCIATE AGREEMENT, which is incorporated into this MSA by this reference.

14. **Consent to send you publications and other materials**

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this MSA, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice.

15. **Subcontractors**

CLA may, at times, use subcontractors to perform services under this MSA, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this MSA.

16. **Technology**

CLA may, at times, use third-party software applications to perform services under this MSA. You acknowledge the software vendor may have access to your data.

17. **Information Technology Security**

Notification of Data Security Incident

For purposes of this section, "Data Security Incident" is defined as unauthorized access to CLA's or its subcontractor's business and/or business systems by a third party, which access could potentially expose County data or systems to unauthorized access, disclosure, or misuse. In the event of a Data Security Incident, CLA or its subcontractor must notify County in writing within 72 hours. Notice should be made to InfoSec.Notifications@nevadacountyca.gov and to all parties referenced in the "Notices" section of the MSA. Notice must reference this MSA. Notice under this section must include the date of incident and CLA's or its subcontractor's systems and/or locations which were affected. The duty to notify under this section is broad, requiring disclosure whether or not any impact to County data is known at the time, to enable County to take immediate protective actions of its data and cloud environments.

Failure to notify under this section is a material breach, and County may immediately terminate the Agreement for failure to comply.

Data Location

CLA shall not store or transfer non-public County of Nevada data outside the United States. This prohibition includes backup data and Disaster Recovery locations. CLA will permit its personnel and contractors to access County of Nevada data remotely only as required to provide technical

support. Remote access to data from outside the continental United States is prohibited unless expressly approved in advance and in writing by the County.

CLA must notify the County in writing within 72 hours of any location changes to CLA's data center(s) that will process or store County data. Notice should be made to InfoSec.Notifications@nevadacountyca.gov and must reference this MSA.

Data Encryption

CLA shall encrypt all non-public County data in transit regardless of the transit mechanism.

CLA shall encrypt all non-public County data at rest.

CLA's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology Security Requirements.

Subcontractor Disclosure

To the extent subcontracting or assignment is permitted under this Agreement, CLA is responsible for the actions of their subcontractors, vendors, and suppliers. CLA shall take necessary steps to ensure that the provisions of this contract are enforceable on all subcontractors, vendors, and suppliers acting on behalf of or through CLA.

18. Termination of MSA

This MSA shall continue for five years from August 22, 2023, unless terminated earlier by giving appropriate notice. Either party may terminate this MSA at any time by giving 30 days written notice to the other party.

Upon termination of the MSA, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

19. Agreement

This MSA, along with the applicable addendum(s) and SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA.

20. Notices

Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the Parties as follows:

CliftonLarsonAllen LLP

Attn: Chastity Wilson
420 S Orange Ave, Ste 900
Orlando, FL 32801
chastity.wilson@claconnect.com
612-397-3358

County of Nevada

Nevada County Executive Office
Attn: Martin Polt, Chief Financial Officer
950 Maidu Ave
Nevada City, CA 95959
ceo@nevadacountyca.gov
530-265-7040

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

Authority: All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the Parties have executed this Contract to begin on the Effective Date.

COUNTY OF NEVADA:

By: _____ Date: _____
Printed Name/Title: Honorable Edward C. Scofield, Chair, of the Board of Supervisors

By: _____
Attest: Julie Patterson Hunter, Clerk of the Board of Supervisors

Approved as to Form – County Counsel:

By: _____ Date: _____

CliftonLarsonAllen, LLP

By: _____ Date: _____

Name: _____

* Title: _____

By: _____ Date: _____

Name: _____

* Title: _____ Secretary _____

***If Contractor is a corporation, this Contract must be signed by two corporate officers; one of which must be the secretary of the corporation, and the other may be either the President or Vice President, unless an authenticated corporate resolution is attached delegating authority to a single officer to bind the corporation (California Corporations Code Sec. 313).**