

**Charter Agreement Governing Participation  
in a Seven-County Region 3 Human Service Redesign Project  
for Electronic Document Management of Income Maintenance Programs**

This agreement is entered into by and between the County of St. Louis, 100 North 5<sup>th</sup> Avenue W., Duluth, MN 55802, a body corporate and politic existing under the laws of the State of Minnesota, hereinafter referred to as the "Host", and the following Minnesota Counties: Aitkin County Health & Human Service Agency, 204 - 1st St NW, Aitkin, MN 56431; Carlton County Public Health & Human Services, 14 N. 11th St., Suite 100, Cloquet, MN 55720; Cook County Social Services, 411 W 2nd Street, Grand Marais, MN 55604; Itasca County Health & Human Services, Itasca Resource Center, 1209 SE 2nd Avenue, Grand Rapids, MN 55744; Koochiching County Community Services, 1000 - 5th Street, International Falls, MN 56649; and Lake County Human Services Department, 616 Third Avenue, Two Harbors, MN 55616, hereinafter referred to as "Charter Members".

**WITNESSETH:**

WHEREAS, current public funding allocated to the provision of human services is out of alignment with the quantitative and qualitative demand for services, making the current system unsustainable for the near future; and

WHEREAS, counties can benefit through collaboration by reducing duplication of like administrative activities without negatively affecting service capacity, by adding value through sharing the specialized knowledge and experience of staff with the result of increased aggregate service capacity, and by utilizing the evolution of technology to effectively work across distances and jurisdictions, and

WHEREAS, increased efficiencies and streamlining across county lines can benefit taxpayers in cost savings, and

WHEREAS, Minnesota Statutes Chapter 402A, the "State-County Results, Accountability, and Service Delivery Redesign Act," hereinafter referred to as "Redesign" allows counties to enter into voluntary service delivery agreements to redesign delivery of all or some essential human services; and

WHEREAS, Commissioners and Public Health & Human Services (PHHS) Directors from the seven counties of the Arrowhead Region met from July 2009 through May 2010 to discuss redesign in Region 3, engaged in intense prioritization of 23 essential human services areas, analyzed factors affecting the likelihood of success in these areas, identified key assumptions for redesign activities, reached consensus on a focus area with rationale, and completed a market survey for further investigation and due diligence; and

WHEREAS, the seven counties in Northeastern Minnesota now desire to implement a regional Redesign Project within the Income Maintenance Program Area consisting of electronic document management, appointments management, and case banking with one standard for work flow and business process across all counties, insuring a

negotiation of shared resources, authority, and accountability for human services programs; and

WHEREAS, St. Louis County will provide the technological "Host Environment" with a centrally located server in Duluth, Carlton County will serve as the "Pilot" to be the model for the Document Management System for all remaining locations outside of St. Louis County, and a Steering Committee will be responsible for all work flow decisions; and

WHEREAS, a means of financing both the anticipated startup costs and anticipated annual maintenance costs has been identified in the proposed funding formula pursuant to the terms and conditions set forth in this Agreement; and

WHEREAS, eDocument Resources, 6101 Baker Road, Suite 207, Minnetonka, MN 55345, hereinafter referred to as "Vendor", has been chosen to provide software, software maintenance, and professional services, and Ron Michaels Consulting, Inc., PO Box 26115, St. Louis Park, MN 55426, hereinafter referred to as the "Consultant", has been chosen as a project consultant;

NOW THEREFORE, in consideration of the mutual covenants and promises between the parties set forth herein, it is hereby agreed that:

## **I. DEFINITIONS**

Annual maintenance costs – annual costs necessary for maintenance of the Software.

Appointments management – a client flow and schedule management tool that improves the assignment, coordination, and communication of scheduled and non-scheduled appointments.

Arrowhead Region – the seven counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis, also known as Region 3.

Business Managers – Financial Assistance supervisors and managers.

Business process – the collection of related, structured activities and tasks that result in determination of eligibility for Income Maintenance public assistance programs.

Case Banking – teams of workers divided by job function rather than individual cases, grouped according to program.

Consultant – an independent contractor providing project management and implementation direction until such time as the program is fully operational in all counties; the contract with the Consultant shall end upon completion of the project.

Charter Members – the six counties of Region 3 not serving as Host.

Electronic Document Management System (EDMS) – utilization of electronic systems and methods to store and route case information rather than traditional paper files.

Functional Specifications – collection of documents describing the business process in terms of technical system configurations and training materials.

Go Live – the first productive use of the Software on Host Environment, by each Member, after completion of Software installation, testing and training.

Host – St. Louis County.

Host Environment – test and production servers on which applications, databases, and documents reside and connectivity to those servers.

Income Maintenance Program – public assistance programs for low income and other specific populations, consisting primarily of food support, medical assistance, and cash assistance.

Interface - A programming interface consisting of the set of statements, functions, options, and other ways of expressing program instructions and data provided by a program or language for a programmer to use.

Member – Each Charter Member and any additional counties that become part of the Regional EDMS.

Participating User - projected estimate of each actual seat or user who accesses the system.

Pilot – Carlton County, the first of Counties to test the expansion of the system beyond St. Louis County.

Product Updates - those improvements and/or modifications to the software that eDocument Resources, Inc. generally makes available as part of the annual maintenance program.

Product Upgrades - any product releases, including added functionality or major enhancement of the software, that eDocument Resources, Inc. markets and licenses for additional fees separately from updates. The term includes new modules and applications marketed by Vendor that pertain to the electronic document management system.

Project – the regionalization of Income Maintenance infrastructure and business process that includes utilization of Electronic Document Management across all seven counties. The Project is considered complete when the seventh and final county goes live and the system is fully operational.

**Project Goals – Purpose and Intended Result of this project, as identified in attached Exhibit A.**

**Project Sponsors – Public Health/Human Service Directors from the seven counties in Region 3.**

**Project Manager – Consultant hired under contract until the regional system is fully implemented.**

**Region 3 - the seven counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis, also known as Arrowhead Region.**

**Regional Technical Support Team – made up of at least one member from each of the seven Counties Information Technology (IT) units**

**Software - EDMS, Compass Appointments and related software provided by eDocument Resources, Inc.**

**Startup costs – funds used to develop and implement the EDMS case banking, case file management and appointment system across Region 3.**

**Statement of Work (SOW) - a signed document between eDocument Resources and the six Charter Members.**

**Steering Committee – a project governing committee with representatives from all participating counties plus other key members, subject to the bylaws in attached Exhibit B.**

**Users – Region 3 Financial Workers and clerical support.**

**Vendor – person or business that sells products and/or services.**

**Work flow - a sequence of operations declared as work of a person, a group of persons, or an organization of staff.**

## **II. DESIGNATED REPRESENTATIVES**

The St. Louis County Director of Public Health and Human Services (PHHS), Ann Busche, at telephone number (218) 726-2097, is the representative of St. Louis County and will administer this Agreement for and on behalf of the Host.

Representatives of Charter Members are as follows:

Thomas Burke, Director, Aitkin County Health & Human Service Agency, 204 - 1st St NW, Aitkin, MN 56431;

Dave Lee, Director, Carlton County Public Health & Human Services, 14 N. 11th St., Suite 100, Cloquet, MN 55720;

Sue Futterer, Director, Cook County Social Services, 411 W 2nd Street, Grand Marais, MN 55604;

Lester Kachinske, Director, Itasca County Health & Human Services, Itasca Resource Center, 1209 SE 2nd Avenue, Grand Rapids, MN 55744;

Terry Murray, Director, Koochiching County Community Services, 1000 - 5th Street, International Falls, MN 56649; and

Vickie Thompson, Director, Lake County Human Services Department, 616 Third Avenue, Two Harbors, MN 55616,

Changes in designated representatives shall be restricted to Directors/Director Level Administrators of charter counties.

To assist the parties in the day-to-day performance of this Agreement and to develop service, ensure compliance, and provide ongoing consultation, liaisons shall be designated by Host and each Member. The parties shall keep each other continually informed, in writing, of any change in the designated liaison.

## **III. VENDORS**

### **A. Software:**

eDocument Resources, 6101 Baker Road, Suite 207, Minnetonka, Minnesota 55345. The Designated Representative of the Vendor is Matt Charlson, CTO.

### **B. Consultant: Start-Up Project Management**

Ron Michaels Consulting, P.O. Box 26115, St. Louis Park, MN 55426. The Designated Representative of the Consultant is Mike Sexe.

#### **IV. NOTICES**

All notices and demands pursuant to this Agreement shall be directed in writing to the Host and to each Member.

#### **V. SHARED ASSUMPTIONS AND ASSURANCES**

In entering into this Agreement, the Host and Charter Member Counties have shared assumptions and give shared assurances. These shared assumptions and assurances include:

- A. The business development approach is to establish a common infrastructure which will be used as a catalyst to redesign and streamline business processes across all Region 3 counties.
- B. St. Louis County will provide the host and test environments for the electronic document management system software.
- C. All counties in Region 3 will participate in the Project.
- D. Business processes to be adopted by all counties are electronic document management, appointments, and case banking.
- E. Agreed upon technical findings and recommendations will be implemented by each impacted county.
- F. Region 3 business processes will conform to the standards established in St. Louis County in order to support work flow with the outcome being one standard work flow for Income Maintenance business units across the Region.
- G. Support personnel will be acquired by St. Louis County and funded by all counties in the Region.
- H. Governance shall be by a Steering Committee, to be made up of representatives of all seven counties.
- I. A Regional Technical Support Team will be established to manage all IT functions; duties will include assisting eDocument Resources with local installations and system support for training, go-live, and related activities.
- J. If at some point a request is made to Host to change the Functional Specifications, the Host PHHS Technology Support Manager will:
  - 1) Determine if a solution will meet the requesting county's business requirements exactly without impacting Host or Members;
  - 2) Determine if a current business process can be changed to accommodate the requesting county's needs; and
  - 3) Decide, with the approval of the Host PHHS Director, to initiate a change to the Functional Specifications or to deny the request.
- K. If a request to change the Functional Specifications is denied pursuant to the above paragraph J, the decision may be appealed by the Member to the Steering Committee. If the Steering Committee approves the proposed change(s), the Software will be modified for all Counties in the Region. Costs for changes may be assessed to the requesting Member only.

## VI. COST ALLOCATIONS

In entering into this Agreement, the Host and Charter Member Counties agree to purchase and maintain Software licenses, support, maintenance, and training as follows:

### A. Initial Costs

- 1) **License** – Host and Members must obtain and maintain, at their own cost, a limited, non-exclusive, perpetual license to the Software and Interfaces, including all future revisions, Product Upgrades and Product Updates. Any additional software licenses acquired by a Member are the financial responsibility of the individual acquiring Member. The invoice for the licenses purchased, as well as the associated ongoing maintenance should be billed directly to the acquiring Member by eDocument Resources.
- 2) **Software Support and Maintenance** – Host and Members must obtain and continue, at their own cost, maintenance services from Software Vendor to comply with the License requirements above.
- 3) **Training and Consulting** - All Training and/or Consulting Services Costs that are required only for a Member shall be paid directly by the Member receiving such services.

### B. Start-up Costs:

- 1) St. Louis County shall not be included in any costs associated with Discovery and Implementation activities of the Members in acquiring the Electronic Document Management System, Compass Appointments, Case Banking, hardware and software acquisition, or related acquisition expenses. The Charter Members of Region 3 (Aitkin, Carlton, Cook, Itasca, Koochiching, and Lake Counties) shall be responsible for their own individual hardware and infrastructure improvements. The Charter Members allocation for their own hardware, licenses, and maintenance will be the costs of the actual hardware purchased, the number of licenses purchased, and the software maintenance for the licenses purchased.
- 2) Charter Member start-up allocations for services provided by Ron Michaels Consulting and eDocument Resources are based on percentage (number of Financial Workers) as follows:

Startup Cost Allocation Table

Description	Cook	Aitkin	Koochiching	Carlton	Itasca	Lake
# of Financial Workers	3	9	7	16	21	4
Cost Allocation Percentage	5%	15%	12%	26%	35%	7%

- 3) There shall be no net increase in costs to Host. St. Louis County will be responsible for costs related to the establishment of a Hosting Environment and a Test Environment prior to full implementation in Region 3.
- 4) All training for the **Start-up** of the Charter Members is defined as Initial Training. The cost allocation to the Charter Member Counties for Initial Training is based on the Startup Cost Allocation Table, above.

**C. Ongoing and Special Costs:**

- 1) After the last Charter Member Go Live on the EDMS system, including Appointments and Case Banking, Host and Charter Members will pay all usual and customary costs attributable to their individual EDMS systems. This will include annual maintenance, additional software license costs, training costs, consulting costs, local network and/or telecommunications costs, and any miscellaneous costs directly attributable to their EDMS system.
- 2) Host County and Members agree to allocate special costs proportionately based on the number of licenses, as indicated in the Ongoing Cost Allocation Table below. This number will be adjusted by the Steering Committee as number of licenses increase. Host and Members agree to notify each other whenever new licenses are obtained.

Ongoing Cost Allocation Table

Description	Cook	Aitkin	Koochiching	Carlton	Itasca	Lake	St. Louis
# of Financial Workers	3	9	7	16	21	4	142
Cost Allocation Percentage	1%	4%	3%	8%	10%	2%	70%

- 3) Special costs may include upgrades and also costs associated with changes to the business model. Special costs will be identified and approved by the Steering Committee as defined in Section VII Governance. If the Steering Committee fails to reach a consensus or vote regarding any costs not explicitly identified in this agreement, such costs shall be payable by the Members in equal percentage.
- 4) Special costs do not include costs incurred by a Member to meet its individual needs (i.e. not intended to be shared by or to benefit other Members), such as consulting, implementation, customization, education and training-related services, service to other products; maintenance of software that has been modified or repaired by someone other than Vendor; and modification or repair of damage to hardware or software caused by failure to continually provide a suitable operating environment (regardless of cause) or by using the software for other than the purposes for which licensed. Such costs shall be paid directly by the Member receiving such services.



- 5) Host will prepare quarterly invoices for costs. Members shall remit payment to Host for invoices within thirty (30) days.

#### **D. Database and Server Costs**

- 1) The server and database licenses have been purchased by Host with software assurance so as to keep both the server operating system and the database software up to date and supported. Costs for licenses and maintenance shall be shared based on the Ongoing Cost Allocation Table, above.
- 2) The production server hardware has been purchased and will be maintained by Host IT. Costs for purchase and ongoing support shall be shared based on the Ongoing Cost Allocation Table, above.
- 3) The backup server hardware has been purchased and will be maintained by Host IT. Costs for purchase and ongoing support shall be shared based on the Ongoing Cost Allocation Table, above.
- 4) Host IT will be responsible for initial load and ongoing maintenance and support of all server hardware and server operating and database management software with associated costs, including personnel time, to be shared based on the Ongoing Cost Allocation Table, above.
- 5) Host IT will provide at least one, but no more than three, full-time equivalent position(s) to support and maintain the software, servers and databases, and to staff the IT Help Desk. Host shall be responsible for the costs for the first FTE; Members shall equally share the costs of any necessary Host staff beyond the first FTE.
- 6) Member service requests to Software Vendor shall pass through the Host IT Help Desk at (218) 726-2426.

#### **VII. FILES NOT NECESSARY FOR "GO LIVE"**

Back file conversion is not in the scope of this project and therefore not considered. However, the preparation of the manual case file and the scanning of the manual case files into the eDocument Resources System (referred to as File Prep and File Scanning) are the responsibility of each of the Members as they prepare for their individual EDMS "Go Live".

#### **VIII. GOVERNANCE**

Governance of the Region 3 EDMS project will be assumed by a Steering Committee, subject to the bylaws attached as Exhibit B. The Steering Committee members shall be the Directors of Health and Human Services from each of the seven participating counties, the Department Head of St. Louis County Information Technology, the St Louis County Public Health and Human Services Technology Support Manager, and one Member Information Technology Unit Department Head. During Start-up, the Member Information Technology representative will be from the then current "Go Live" County (e.g. during the pilot

implementation, the Carlton County Information Technology Department Head is the representative). During the "Ongoing" phase, the Information Technology member will be chosen by the Region 3 Health and Human Services Directors and will serve a one year term.

#### **IX. DURATION**

The term of this Agreement shall commence upon execution by all of the parties and continue in effect for three (3) years. After that time, the Agreement shall be automatically renewed on a year-to-year basis under the same terms and conditions by all the parties unless written notice of termination is provided by a Member pursuant to the terms of this Agreement.

#### **X. NOTICE OF TERMINATION**

Written notice of termination shall be made by certified mail or personal delivery directed to the each party specified in the Notice section of this Agreement. Notices are deemed effective upon delivery to the Host and each Member=s authorized representative. Written notice is required 180 days prior to renewal to be effective for the following year.

#### **XI. EFFECT OF TERMINATION**

Termination of this Agreement shall not discharge any liability, responsibility, or right of any party which arises from the performance or failure to adequately perform the terms of this Agreement prior to the effective date of termination, nor shall termination discharge any obligation which by its nature would survive after the date of termination. Early termination prior to the termination terms herein will not absolve any parties from the funding obligations set forth in this contract.

#### **XII. FUTURE MEMBERS**

The Region 3 project may be expanded in the future to include other counties. The Host and Charter Members must agree to the addition of new Members, subject to approval by the appropriate county boards. New Members will be held to the same requirements, policies, governance, financial obligations, and duties for all other matters as they relate to this Agreement. New Members will be incorporated into this written Agreement and into all other legal documents related to this project.

#### **XIII. EXHIBITS**

This Agreement includes the following Exhibits which are incorporated by reference: [A] Project Goals and Expected Benefits and [B] Steering Committee Bylaws.

#### **XIV. ASSIGNMENT**

No party may assign this Agreement without the prior written consent of every other party, and such consent shall not be unreasonably withheld.

## **XV. NEUTRAL CONSTRUCTION**

The parties to this Agreement agree that this Agreement was negotiated fairly between them at arms length and that the final terms of this Agreement are the product of the parties= negotiations. Each party warrants and represents that it has sought and has received legal counsel of its own choosing with regard to the contents of this Agreement and the rights and obligations affected hereby. The parties agree that this Agreement shall be deemed to have been jointly and equally drafted by them and that the provisions of this Agreement therefore should not be construed against a party or parties on the grounds that the party or parties drafted or was more responsible for drafting the provision.

## **XVI. DATA PRACTICES**

Pursuant to Minnesota Statutes Chapter 13 (the Minnesota Government Data Practices Act, or MGDPA), Host and Members agree that they will continue to be responsible authorities for data created by their agency. Nothing in this Agreement shall result in any change in responsibilities for data practices requests, data access procedures, and compliance responsibilities of the individual agencies. Host and Members agree that the originator of the data continues to own the data and responsibilities attendant to creation and maintenance of such data. All requests for data under the MGDPA will be forwarded to the agency that created the data.

## **XVII. SEVERABILITY**

If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

## **XVIII. ENTIRE AGREEMENT AND REMEDY**

In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties, or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing executed by the parties to this Agreement and by no other means. Each party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

**XIX. MINNESOTA LAW**

This Agreement shall be governed by the laws of the State of Minnesota. Any litigation regarding this Agreement or its contents shall be filed in the County of St. Louis, if in state court, or in the federal district court nearest to St. Louis County, if in federal court.

**XX. AUTHORITY**

All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with.

**XXI. INDEMNIFICATION**

Each party will be responsible for its own acts and behavior and the results thereof.

THIS SPACE INTENTIONALLY LEFT BLANK

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be duly executed intending to be bound thereby.

**CHARTER MEMBERS**

AITKIN COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_

CARLTON COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_

COOK COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_

**HOST**

ST. LOUIS COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_

ITASCA COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_  
KOOCHICHING COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_

LAKE COUNTY

By: \_\_\_\_\_  
[NAME]  
Board Representative

Date: \_\_\_\_\_

**APPROVED AS TO FORM AND EXECUTION:**

ST. LOUIS COUNTY ATTORNEY

By: \_\_\_\_\_  
[NAME]

Date: \_\_\_\_\_

## EXHIBIT A: Project Goals and Expected Benefits

### Project Goals

Goal 1: Implement Electronic Document Management, based on the St. Louis County model, that support Income Maintenance Programs and the Programs, Services, and Vision of the Region 3 Human Service Departments.

Goal 2: Implement Electronic Document Management and Work Flow Tools which serve as a catalyst to standardize and streamline; thus reducing manual labor and improve the efficiency, security, & compliance of the business processes within the Region 3 Human Services Departments.

Goal 3: Provide Electronic Document Management and Work Flow Tools which can provide secure, accurate, intuitive, and efficient electronic tools which significantly reduces manual processing of paper by capturing and storing records at point of contact, and sharing records electronically across the Region 3 Income Maintenance Departments.

Goal 4: Provide clear and consistent direction, as well as timely feedback, to eDocument Resources resulting in effective, one-time and ongoing application support, training, and regular software enhancements for Region 3 Human Services Department users.

Goal 5: Provide appropriate inquiry, reporting and analysis tools across the Income Maintenance Departments in order to facilitate electronic access to real time information, including standard reporting and analysis as well as "Ad Hoc" reporting tools for departmental users.

Goal 6: Provide application software and hardware which leverages the investment in Region 3 Counties technology platforms standards.

Goal 7: Implement an information system that provides the infrastructure to leverage Redesign opportunities across the region, including such things as data sharing, development of regional expertise, Blurring County Lines, Kiosks, Home access to information, etc.

Goal 8: Provide tools and/or process for business continuity during those period where the system is unavailable for short periods of time (e.g. data communications lost for a half day).

### Anticipated Benefits

- Reduces manual labor by automating current paper-based processes
- Eliminates paper forms, files, and documents
- Provides ability to streamline and standardize services across the Region
- Provides opportunities for synergy and leveraging of local expertise
- Standardizes and streamlines transfer of information between counties
- Provides improved handling and tracking of files and documents within files
- Provides improvements in data privacy and security across the department
- Creates efficiencies that allow current staff to handle higher case loads
- Provides best practices from counties that have already implemented EDMS solution
- Reduces barriers due to transportation issues and aging populations
- Provides cost effective solution for counties in Region
- Insures greater portability of data and accountability for information (tracking)
- Supports a generalist approach and staff back-up between counties
- Reduces the need for physical storage of documents
- Provides for case transfer across Region that is easy to use and intuitive
- Improves compliance to DHS and County Department policies
- By utilizing the same system, EDMS provides power and leverage at the State level
- Provides a common system that can be the foundation for future standardization and redesign of additional essential services: Regional Financial Workers, Regional Supervision, Regional Call Center

**EXHIBIT B: Steering Committee Bylaws**