

K20-494

SECOND AMENDMENT
TO
NATIONAL ACCOUNT SERVICES
MASTER SERVICES AGREEMENT
FOR COMPREHENSIVE OUTSOURCING SERVICES
BETWEEN
ADP, LLC
AND
CITY OF NEW ORLEANS, LOUISIANA

This Second Amendment (the "Second Amendment"), made as of August 11, 2020 ("Second Amendment Effective Date"), between ADP, LLC ("ADP") and City of New Orleans, Louisiana ("Client"), contains changes, modifications, revisions and additions to the terms and conditions of the National Account Services Master Services Agreement for Comprehensive Outsourcing Services, dated as of June 21, 2012 (the "Agreement"), between Client and ADP.

Now, therefore, in consideration of the mutual covenants contained in the Agreement and herein, and for other good and valuable consideration, ADP and Client hereby agree as follows:

1. Name Change. ADP has legally changed its corporate name from "ADP, Inc." to "ADP, LLC". Therefore, all references to "ADP, Inc." are hereby replaced with "ADP, LLC" throughout the Agreement and for all purposes under the Agreement.

2. ADP Health Compliance. As of the Second Amendment Effective Date, in addition to the Services provided by ADP under the Agreement, ADP is authorized to provide to Client and Client is authorized to receive from ADP, ADP Health Compliance Services in accordance with the terms and conditions set forth in Annex X and Pricing Appendix-1 (Service and Fee Schedule (ADP Health Compliance)), each attached hereto and incorporated herein by reference, and the Agreement. For purposes of the ADP Health Compliance Services, any reference to "Annex Z" in the Agreement will be deemed to refer to Pricing Appendix-1 attached hereto.

3. Cover Page. As of the Second Amendment Effective Date, the list of Annexes on the cover page of the Agreement is hereby amended to add the following:

X	Annex X:	ADP Health Compliance
X	Pricing Appendix-1:	Service and Fee Schedule (ADP Health Compliance)

4. Convicted Felon Statement. ADP complies with City Code § 2-8(c) and no principal, member, or officer of ADP has, within the preceding five years, been convicted of, or pled guilty to, a felony under state or federal statutes for embezzlement, theft of public funds, bribery, or falsification or destruction of public records.

5. Cost Recovery. In accordance with Section 2-8.1 of the Municipal Code entitled "Cost recovery in contracts, cooperative endeavor agreements, and grants," if ADP fails to cure a material breach of its contractual obligations under the Agreement, to the maximum extent permitted by law and subject to the terms of the Agreement, ADP shall reimburse the City the fees directly related to the uncured material breach as agreed upon in good faith by the parties or as directed by a court of competent jurisdiction in a final, non-appealable order.

6. **Non-Solicitation Statement.** ADP has not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or secure this Agreement. ADP has not paid or agreed to pay any person, other than a bona fide employee working for it, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from this Agreement.

7. **Prohibition on Political Activity.** None of the funds, materials, property, or services provided directly or indirectly under the terms of this Agreement shall be used in the performance of this Agreement for any partisan political activity, or to further the election or defeat of any candidate for public office.

8. **Electronic Signature.** The Parties agree that a manually signed copy of this Agreement and any other document(s) attached to this Agreement delivered by email shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. No legally binding obligation shall be created with respect to a party until such party has delivered or caused to be delivered a manually signed copy of this Agreement

9. **General Provisions; Effect of Second Amendment.** This Second Amendment may be executed in multiple original copies, identically worded, and each such executed copy constitutes an original. Facsimile signatures, electronic signatures in connection with the electronic signature delivery system utilized by ADP and signatures transferred in .pdf or a similar format for scanned copies of documents are original signatures for all purposes of this Second Amendment and the Agreement. All other terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Second Amendment and the terms and conditions of the Agreement, this Second Amendment shall prevail. The terms defined in the Agreement and used in this Second Amendment shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this Second Amendment.

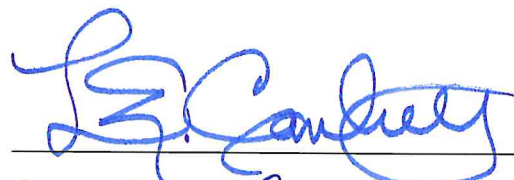
IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed by its authorized representatives as of the date written below, to be effective as of the Second Amendment.

ADP, LLC

CITY OF NEW ORLEANS, LOUISIANA

By: 
Name: Rob Hamilton
Title: DVP/GM
Date: 8/7/20



By: 
Name: LaToya Cantrell
Title: Mayor
Date: 8/11/2020

FORM AND LEGALITY APPROVED:


Law Department, City of New Orleans

ANNEX X

ADP Health Compliance

Client desires to receive and ADP agrees to provide the following services to Client in addition to those already provided under the Agreement.

1. **Definitions.** Unless a capitalized term used herein is defined herein, it shall have the same meaning ascribed that term in the Agreement.

- 1.1. **"Client ACA Liaison"** has the meaning set forth in Section 4.1.

- 1.2. **"ERISA"** means Employee Retirement Income Security Act of 1974, as amended.

- 1.3. **"NACHA"** means the National Automated Clearing House Association.

- 1.4. **"Payment Services"** means Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction.

- 1.5. **"Plan"** means Client's plan, including a group health plan, as identified by Client for the applicable Services.

- 1.6. **"Plan Administrator"** means the appropriate plan administrator as defined in Section 3(16)(A) of ERISA and Section 414(g) of the Internal Revenue Code of 1986, as amended.

2. **Service Summary.**

- 2.1. **ADP Health Compliance.** A technology, software, and service solution to assist in managing the compliance needs related to the employer shared responsibility provisions of the Affordable Care Act (ACA), including eligibility calculations, affordability determinations, and regulatory management (provision of notices of coverage; management of exchange notices; preparation, delivery, and filing of annual IRS Forms 1094-C and 1095-C; and penalty management).

3. **Additional Termination Provisions for ADP Health Compliance.** If ADP reasonably determines that it can no longer provide all or any portion of ADP Health Compliance due to changes in applicable law or application of existing law, ADP may, in its sole discretion and upon notice to Client, immediately terminate the applicable portion of ADP Health Compliance. Client may upon written notice to ADP terminate the ADP Health Compliance if Client reasonably determines that it can no longer, or no longer has a need under current law, to receive all or any portion of the type of service provided by ADP Health Compliance due to a change in applicable law or application of existing law.

4. **Additional Terms.** The following additional terms and conditions apply to the ADP Health Compliance services:

- 4.1. **Client ACA Liaison.** Client shall designate in writing to ADP the name of one person who shall serve as ADP's principal designated contact for the ADP Health Compliance services (the **"Client ACA Liaison"**), and such Client ACA Liaison shall have the authority to (i) provide information, instructions and direction on behalf of Client, and (ii) grant or provide approvals (other than Amendments) required or permitted under the Agreement in connection with the ADP Health Compliance services. Client shall designate an alternate Client ACA Liaison in the event the principal Client ACA Liaison is not available.

- 4.2. **DISCLAIMER.** NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE "ADMINISTRATOR" OR "PLAN ADMINISTRATOR" AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE CODE, RESPECTIVELY, NOR IS ADP A "FIDUCIARY" WITHIN THE MEANING OF ERISA SECTION 3(21). ADP SHALL NOT

EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY BENEFIT PLANS SPONSORED OR OFFERED BY CLIENT. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE CLIENT'S BENEFIT PLAN(S). ADP EXPRESSLY DISCLAIMS ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS WITH RESPECT TO THE ADP HEALTH COMPLIANCE SERVICES, THE APPLICATION PROGRAMS OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP.

- 4.3. Client Vendors.** Client will at its own cost make all necessary arrangements with its third party vendors to cause such vendors to send data to and receive data from ADP as required for ADP to provide the ADP Health Compliance services. Client shall reimburse ADP for any costs ADP is required to bear in connection with or arising out of any such transmissions of data from and/or to such third party vendors.
- 4.4. Important Tax Information (IRS Disclosure).** Notwithstanding Client's engagement of ADP to provide the ADP Health Compliance services, please be aware that Client remains responsible for the timely filing of all required reports and filings, and the timely payment of Client penalty obligations. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them, and that online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477.
- 4.5. Additional Requirements.** Client further understands that the ADP Health Compliance services may be modified as ADP may deem appropriate to assist ADP in complying with its obligations.
- 5. Payment Services.** The following additional terms and conditions apply to the Payment Services.
- 5.1.1. Suspension.** Without limiting the foregoing, the parties agree that Payment Services involve credit risk to ADP. Payment Services may be suspended by ADP (A) immediately following notice to Client (i) that Client has failed to remit sufficient, good and available funds within the deadline and via the method of delivery set forth in Pricing Appendix-1 as it relates to the applicable Payment Services, or (ii) if Client breaches any rules promulgated by the National Automated Clearing House Association as it relates to ADP conducting ACH transactions on behalf of Client, and (B) with 24 hour notice if: (i) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) or credits for Client's behalf for any reason or (ii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account. If the Payment Services are terminated or suspended pursuant to Section 8.4 of Annex A or this Section, Client acknowledges that ADP shall be entitled to allocate any funds in ADP's possession that have been previously remitted or otherwise made available by Client to ADP relative to the Payment Services in such priorities as ADP may determine appropriate, including reimbursing ADP for payments made by ADP on Client's behalf to a third party. If the Payment Services are terminated by ADP, Client understands that it will (x) immediately become solely responsible for all of Client's third party payment obligations covered by the Payment Services then or thereafter due, and (y) reimburse ADP for all payments properly made by ADP on behalf of Client to any payee, which has not been paid or reimbursed by Client. If the Payment Services remains suspended for 30 days, the affected Payment Service shall be deemed terminated on the 31st day following suspension.
- 5.1.2. Client Credentialing.** Client understands and acknowledges that the implementation and ongoing provision of Payment Services are conditioned upon Client passing (and

continuing to pass) a credentialing process that ADP may deem necessary in connection with the provision of Payment Services.

- 5.1.3. Additional Requirements.** Payment Services may be subject to the rules and standards of any applicable clearing house, payment and/or card networks or associations. Client and ADP each agree to comply with all such rules and standards applicable to it with respect to the Payment Services.
- 5.1.4. Funding Obligations.** Client acknowledges that ADP is not a lender. As such, as a condition to receiving services, Client will remit or otherwise make available to ADP sufficient, good and available funds within the agreed-to deadline and via the agreed-to method of delivery to satisfy all of Client's third-party payment obligations covered by the Agreement. ADP will apply such funds to satisfy such third-party payment obligations. ADP will not be required to provide Payment Services if ADP has not received all funds required to satisfy Client's third-party payment obligations. Client will immediately notify ADP if it knows or should know that it will not have sufficient funds to satisfy the amounts required in connection with the Payment Services. If Client has a material adverse change in its condition, ADP may modify the funding method or deadline by which funds must be made available to ADP for payment to Payees. Client agrees to pay to ADP upon demand any amounts that have been paid by ADP to satisfy Client's third party payment obligations prior to receiving such amounts from Client.
- 5.1.5. Investment Proceeds; Commingling of Client Funds.** IF ADP RECEIVES CLIENT'S FUNDS IN ADVANCE OF THE TIME ADP IS REQUIRED TO PAY SUCH FUNDS TO THIRD PARTIES, ALL AMOUNTS EARNED ON SUCH FUNDS, IF ANY, WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP. ADP may commingle Client's funds with similar funds from other clients and with similar ADP and ADP-administered funds. ADP utilizes a funds control system that maintains general ledger entries by client and/or by jurisdiction.
- 5.1.6. Recovery of Funds; Stop Payment Requests.** Client agrees to cooperate with ADP and any other third parties to recover funds erroneously issued or transferred to any Payee or credited to any Payee's account. If Client desires to stop payment on any check or to recall or reverse any electronic payment, Client will provide ADP with a stop payment request in the form required by ADP. Client acknowledges that ADP's placement of a stop order request is not a guarantee that such stop payment will occur.



SECTION 1 THE CLIENT GROUP.
City of New Orleans, Louisiana

SECTION 2 ADDRESS OF ADP FOR NOTICES.
ADP, LLC
400 W. Covina Blvd., MS 208
San Dimas, CA 91773

SECTION 3 TERMINATION DATE.
The termination date is that date which is the 3 year anniversary of the Second Amendment Effective Date.

SECTION 4 FEE EFFECTIVENESS; FEE CHANGES.
The fees set forth on the Pricing Appendix-1 will remain fixed for 1 year following the Second Amendment Effective Date. Thereafter, ADP may modify the fees for the Services and will give Client at least 30 days prior written notice of any changes in such fees.

SECTION 5 FINANCIAL DETAILS

ADP Implementation and Integration		One-Time Fee	
Health Compliance		\$0.00	

ADP Health Compliance	Quantity Assumed	Rate	Base
Health Compliance	5,500	\$1.25 Per EE Per Month	\$0.00

SECTION 6 EXPENSES.
In addition to the fees listed in this Pricing Appendix-1, postage, delivery charges, other similar third party charges, and reasonable travel and out-of-pocket expenses are payable by Client.