



# PRONEXUS

Projects. Consulting. Outsourcing.

4/3/2023

Inna Reznik, CPA, MBA  
City Comptroller  
City of Long Beach  
One West Chester Street  
Long Beach, NY 11561

Dear Inna:

We are pleased you have selected ProNexus to provide professional services. The purpose of this letter is to set forth the understanding of our engagement, the services that we will provide, and the related fees for those services. Upon receipt of this letter or ProNexus providing the requested services, such services become subject to the terms herein and the General Engagement Terms & Conditions ("T&Cs") reflected in Exhibit A.

### Description of Services: Interim – Accounting Support Services

Based on your assessment of the current state finance & accounting department, you recognize that your structurally unable to close the financial records on a timely basis. Ideally, you would like to close the books monthly on a timelier basis and complete your yearend close and be audit ready closer to your June fiscal year end. You recognize that searching for experienced accounting professionals can be difficult and time consuming. In addition, you recognize that turnover and being short staffed can impact productivity and work life balance for other team members especially considering other competing requirements.

As a result, you would like to engage ProNexus to provide accounting support services to 1) get your books current, and 2) help you maintain productivity until you identify a long-term solution. In addition, you would like us to also look for opportunities to streamline and optimize processes and technology, if applicable. Per our discussion, the level of accounting support would be at least a heavy ProNexus Senior or Manager who can be your right-hand person, perform & review month end close activities, including reporting, and free you up to handle other competing requirements. Additionally, there may be some ad hoc projects you would like us to perform. For example, providing you reports allocated by department for healthcare costs.

ProNexus will come in and maintain productivity for the City of Long Beach in conjunction with the key activities and tasks as required to close the books as directed by Inna Reznik, City Comptroller. Key activities may include reconciliations, reviewing general ledger accounts, preparing journal entries, performing account analysis, posting accruals, and financial statement preparation. Our understanding is that you are utilizing MUNIS, there are 3 funds, and you're a June fiscal year end.

### Resource Requirements & Fees

Assigned Consultant(s)	Hourly Bill Rate	Estimated Start Date	Estimated End Date
Diana Bronson, Manager	\$130	4/24/23	4/23/24

Time related to this engagement will be billed per hour as specified above, plus out-of-pocket costs, if applicable.

115 Sully's Trail, Suite 11  
Pittsford, NY 14534  
p (585) 662-2212  
f (585) 402-7705

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[www.pronexusllc.com](http://www.pronexusllc.com)

On a semi-monthly basis, our consultant will report time to you or your representative for on-line or electronic verification and approval. Your approval of time indicates your acknowledgement and acceptance of the terms herein and the T&Cs.

If, for any reason, any assigned Consultant is unable to complete the service period, or if his (her) performance does not meet your expectations, ProNexus will endeavor to provide a suitable replacement, subject to your approval. If ProNexus is unable to identify a replacement acceptable to you, this engagement letter will be deemed to have automatically ended with respect to that assigned Consultant, except that you shall remain liable to ProNexus for services of said Consultant prior to his/her termination.

ProNexus will require at least two weeks' notice prior to the end date of any engagement or the effective date of any modification to the assigned Consultant's schedule. For Salaried Consultants, we require 30 days' notice.

**Travel**

If applicable, you will be billed for reasonable, ordinary and necessary travel and expenses directly connected to or pertaining to the services provided, including but not limited to travel time, mileage, tolls, parking, car rental, taxis, airfare, lodging and meals. Travel time is billed at full rate, half time.

**Non-Solicit**

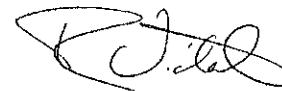
The two most important assets of ProNexus are its people and its clients. We are committed to hiring and retaining the very best people. Given our commitment, we must protect our investment so that we can continue to provide our clients quality service and our people with unlimited opportunity for growth and success. Today, there is a significant risk of losing clients and the investment we have made in our people whenever one of our key employees leaves the firm. Hence, unless otherwise specified in the Engagement Letter or you obtain prior written consent from a ProNexus Partner, you shall not solicit, hire, or offer employment to any ProNexus Personnel in accordance with section 3.2 of Exhibit A.

The terms of this letter, along with the T&Cs, shall govern the services provided by ProNexus and assigned Consultant(s).

Please do not hesitate to contact us if you have any questions or we can be of additional service. We look forward to working with you.

Very truly yours,

**ProNexus, LLC**



By:  
Rafael Vidal  
(585) 662-2264

## Exhibit A

### GENERAL ENGAGEMENT TERMS & CONDITIONS

The City of Long Beach, a municipal corporation with its principal office located at 1 West Chester Street, Long Beach, New York ("City") and ProNexus, a domestic limited liability corporation with offices located at 115 Sully's Trail, Suite 11 Pittsford, NY 14534 ("ProNexus") enters into this agreement pursuant to the following terms and conditions.

**Whereas** ProNexus is in the business of providing finance, accounting, internal audit, risk & compliance, and information technology professional services including consulting, outsourcing, interim management, project support, staff augmentation, and other professional services; and

**Whereas** the City wishes to retain ProNexus to assist City with its accounting needs.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and ProNexus hereby agree as follows:

#### 1. Duties and Responsibilities.

1.1 You hereby appoint ProNexus to provide professional services as required in connection with the completion of the engagement requirements as specified in the Engagement Letter. ProNexus shall employ and provide for work on the engagement, the Consultant specified in the Engagement Letter. Consultant will be an employee of ProNexus and shall report directly to you, and you shall be solely responsible for providing appropriate assistance, supervision, and guidance as well as reviewing and approving any and all work performed by Consultant. ProNexus shall have and retain sole control of and authority over the remuneration paid to each Consultant, whether in the form of salary or otherwise.

1.2 You understand that ProNexus is not a public accounting firm and does not issue opinions on financial statements or offer any attestation services. You agree not to allow or require assigned Consultant (a) to perform services outside of the scope of the engagement, (b) to render an opinion on behalf of ProNexus or on your behalf regarding financial statements, (c) to sign the name of ProNexus on any document, (d) to sign their own names on financial statements or tax returns, (e) to sign, endorse, wire, transport or otherwise convey cash, securities, checks, or any negotiable instruments or valuables, (f) to make any final decisions regarding system design, software development, or the acquisition of hardware or software, (g) to use computers, software, or network equipment owned or licensed by the Consultant, or (h) to operate machinery (other than office machines) or automotive equipment.

1.3 ProNexus and its Consultant shall be entitled to rely on all information provided by, and the decisions and approvals of, you and your personnel in connection with ProNexus' work hereunder. You shall be responsible for any information provided, or decisions or approvals made, by your personnel that were not complete, accurate or current.

1.4 It is understood that you are responsible for reporting any claim to ProNexus in writing during or within ninety (90) days after the termination of the applicable engagement and any third party claim within ninety (90) days receipt of notice. Additionally, ProNexus will not be responsible for any claim related to any professional services after the termination of the applicable engagement.

1.5 You shall provide reasonable workspace for Consultant and a safe working environment for work performed on your premises. You are solely responsible for establishing and maintaining usual, customary and appropriate internal procedures and controls (including internal audit, accounting, information technology, proprietary information, creative designs and trade secret safeguards) for your company and we shall not be responsible for any injuries, claims, damages or losses that may result from your failure to comply with the foregoing.

2. Independent Contractor. ProNexus is retained by your company as an independent contractor, and nothing contained in this Agreement shall be construed to create the relationship of employer and employee, an association, partnership, joint venture, or relationship of principal and agent or master and servant between the parties hereto, or to provide either party with the right, power or authority, whether express or implied, to create any such duty or obligation on behalf of the other party. Each party will maintain its own commercial liability, employer's liability, and worker's compensation and professional liability insurance. ProNexus will provide proof of coverage to you upon request. To the extent applicable, ProNexus shall maintain and pay for all applicable federal, state and local disability, worker's compensation, payroll taxes, and income and other taxes for ProNexus and all ProNexus Employees.

#### 3. Fees.

3.1 You agree to pay ProNexus in accordance with the fees specified in the Engagement Letter. For engagements billed per hour, on a semi-monthly basis, our consultant will report time to you or your representative for on-line or electronic verification and approval. Your approval of time indicates your acknowledgement and acceptance of the Terms and Conditions of this agreement ("T&Cs").

3.2 Unless otherwise specified in the Engagement Letter or you obtain prior written consent from a ProNexus Partner, you shall not solicit, hire, or offer employment to any Personnel, including Subcontractors, during the term of this Agreement and for a period of one (1) year following the termination of said Personnel's services under this Agreement. This restriction shall apply irrespective if you are considering having said Personnel perform different services or function in a different capacity. This restriction shall apply equally to your company,

regardless of employment classification, on either a full-time, contract, temporary, or consulting basis (including through another firm). Any breach of this provision shall require you to pay ProNexus an amount equal to one year's salary of each individual with respect to which a breach occurred. In the event you obtain prior written consent and you wish ProNexus Personnel converted to your employ or another employer to whom you refer them, you agree to pay a buyout fee negotiated on a case by case basis or as specified in the Engagement Letter.

3.3 ProNexus shall invoice semi-monthly and such invoices shall be due upon receipt of invoice, including applicable sales and service taxes. In the event of any dispute with regard to a portion of an invoice, the undisputed portion shall be paid as provided herein. In the event that you fail to pay the invoices when due, you agree to pay all of ProNexus' costs of collection, including reasonable attorneys' fees, whether or not legal action is initiated. Additionally, ProNexus may charge interest on any overdue amounts at a rate of the lesser of 2% per month or the highest rate allowed by applicable law from the date the amount first became due. You agree that the substantive laws of New York shall govern the terms of our engagement and that any dispute arising therefrom, including any action to collect any monies owed, shall be litigated in a court of competent jurisdiction in Monroe County, New York and you further consent to the exclusive jurisdiction of said courts and waive any objection based on forum non-convenience.

3.4 ProNexus will require at least two weeks' notice prior to the end date of any engagement or the effective date of any modification to the assigned Consultant's schedule. For Salaried Consultants, we require 30 days' notice. In the event of a schedule change imposed by you that occurs less than two weeks or 30 days prior to the date ProNexus Consultants are scheduled to be deployed, you may be subject to a redeployment fee to compensate ProNexus for the amount of hours dropped or delayed from the schedule at the rate of 75% of the applicable hourly rate if ProNexus is unable to redeploy the Consultant(s) to another client engagement.

3.5 ProNexus may increase our rates provided under the Engagement Letter to reflect increases in our own costs of doing business, including costs associated with higher wages for consultants and/or related tax, benefit and other costs. ProNexus will provide you with written or verbal notice of any increase in its rate for the professional services, and such increase will be prospective, starting as of the effective date ProNexus specifies.

#### 4. Guarantee and Warranties.

4.1 ProNexus guarantees your satisfaction with our services by extending a three-working day (24 hours) guarantee period with respect to the Consultant. If, for any reason, you are dissatisfied with the Consultant, ProNexus will not charge for the first twenty-four (24) hours worked, provided ProNexus replaces the Consultant. Unless you contact ProNexus before the end of the first three-day period, you agree that our Consultant is satisfactory. In the event we need to transition the engagement to another Consultant, we will manage the knowledge transfer and not charge you for up to three-working days of cross over time.

4.2 ProNexus represents that the assigned Consultant possess the general skills, knowledge and experience to perform the services. If the performance of any Consultant demonstrates that such person does not possess the general skill, knowledge and experience to perform the services, your sole remedy shall be for ProNexus to use commercially reasonable efforts to provide you with a suitable replacement for such person promptly after you provide ProNexus with a reasonable description of the performance problem.

5. Limitation of Liability. But for those set forth in section 4 above, ProNexus makes no express or implied warranties including, but not limited to any warranty of quality, performance, merchantability or fitness for any purpose with respect to any professional services performed or any goods provided, including, but not limited to, financial, accounting, internal audit, risk & compliance, and information technology services or software developed for you. Under no circumstances, will ProNexus be liable for incidental, indirect or consequential damages (including loss of profits, business, revenue, goodwill, or anticipated savings), even if informed of the possibility, and our maximum liability for any specific engagement, if any case, will not exceed the fees actually paid to us for that engagement.

#### 6. Confidential Information.

6.1 Our Consultant will agree to execute any confidentiality agreement that you may require. You are responsible for obtaining our Consultant's signature. You acknowledge and agree to hold in confidence the identity of any ProNexus Consultant including but not limited to Consultant's profiles, social security number, and other legally protected personal information. You also agree to implement and maintain reasonable security procedures and practices to protect such information from unauthorized access, use, modification, or disclosure.

6.2 ProNexus acknowledges that it may receive in connection with this engagement confidential information relating to your business, including but not limited to, information regarding your company's products, services or offerings; planned marketing or promotion of your company's inventions, patents, applications, discoveries, software in various stages of development, data, source code, object code, documentation, diagrams, flow charts, research, development, processes, procedures, "know-how", trade secrets any and all customer information, including without limitation, customer lists, customer names, addresses, property descriptions, credit information, and loan offer and approval information, and all other information related to customers, price lists and pricing policies; financial information received from others that you are obligated to treat as confidential (collectively and separately, "Confidential Information"). ProNexus agrees that all information provided pursuant to this engagement is confidential and proprietary information, whether furnished before or after the date hereof, whether oral or written, and regardless of the manner in which it was furnished and shall be subject to the terms and conditions of this engagement. ProNexus shall not use any Confidential Information provided by you for any purpose other than as permitted or required for performance under this engagement, or as otherwise agreed to between the parties.

6.3 All data and information contained herein and provided by ProNexus, LLC is considered confidential and proprietary. The data and information contained herein may not be reproduced, published, or distributed to, or for, any third parties without the express prior written consent of ProNexus, LLC.

7. **Termination.** The parties acknowledge that either party may terminate this agreement upon 30 day written notice, provided to the following addresses:

If to the City, notice shall be provided to:

Office of the Corporation Counsel,  
City of Long beach,  
1 West Chester Street, Room 402,  
Long Beach, New York, 11561.

If to ProNexus, notice shall be provided to:

Rafael Vidal  
115 Sully's Trail, Suite 11  
Pittsford, NY 14534

8. **Indemnity.** Each party shall defend and hold the other party, its employees, officers, directors, agents, elected officials, and representatives harmless from any and all costs, losses, damages, liabilities, expenses, demands, and judgments, including court costs and attorney's fees, which they may suffer arising from any act or omission or neglect of Subrecipient, its employees, officers, directors, agents or representatives, or anyone else for whose acts Subrecipient may be responsible, in the performance of Subrecipient's obligations under this Agreement. This provision shall survive the expiration or termination of this Agreement.

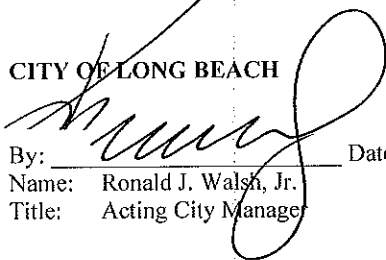
9. **Insurance.** ProNexus acknowledges and agrees that at all times throughout this agreement shall carry the following insurance policies: (i) workers' compensation in amounts no less than required by law; (ii) employer's personal injury liability insurance with a limit of \$1,000,000.00; (iii) general commercial liability insurance, including personal injury, contractual liability, and property damage, with limits of \$2,000,000.00 per occurrence and \$4,000,000 aggregate; and (iv) umbrella liability insurance with a limit of \$1,000,000 per occurrence and in the aggregate.

10. **Choice of Law and Venue.** The creation and terms of this agreement shall be construed in accordance with the laws of the State of New York, regardless of any other Choice of Law provision. The parties agree that any dispute(s) arising out of this agreement or the performance and/or obligations hereof shall be brought in the Supreme Court of the State of New York, County of Nassau.

11. **Entire Agreement.** These T&Cs contain the complete and final agreement on the topics they address, and they supersede any prior agreements or understanding on these topics. Our consultants do not have authority either to verbally modify these T&Cs or to assume additional responsibilities other than those set forth in the T&Cs.

IN WITNESS WHEREOF, each of the parties has executed this Agreement by its duly authorized officer as of the latest day and year executed below

CITY OF LONG BEACH

By:  Date: 4/6/23  
Name: Ronald J. Walsh, Jr.  
Title: Acting City Manager

PRONEXUS

By:  Date: 4/3/23  
Name: Rafael Vidal  
Title: President