

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by the City of Kansas City, Missouri, and Douglas Jones on this 5th day of October, 2020.

Section 1. Background. Douglas Jones is employed by the City of Kansas City, Missouri, as City Auditor, effective on October 5, 2020, as a result of his reappointment by Ordinance No. 200877. Douglas Jones has continually been employed as City Auditor since his original appointment on June 29, 2013. This position is established by Section 216, City Charter. The City Auditor is appointed by the Mayor and Council and serves at their pleasure. The Mayor and Council serve as the City Auditor's immediate supervisors providing evaluation of his performance and establishing his salary and compensation package.

Section 2. Purpose. The purpose of this Memorandum of Understanding is to establish specific dates for the evaluation of Douglas Jones's performance as City Auditor and to establish a framework by which the independence of the City Auditor will be encouraged and enhanced.

Section 3. Term.

- A. This agreement becomes effective October 5, 2020 for a term of three years, ending October 5, 2023, unless terminated by one or both of the parties in accordance with this agreement.
- B. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the city through its City Council to terminate the services of Employee, subject to the provisions set forth in this agreement, including Section 9.
- C. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from his position with the City, subject to the provisions set forth in Section 11.

Section 4. Annual Evaluation. The Mayor and City Council will conduct an annual performance review for Douglas Jones. This evaluation will occur prior to June 29 of each year, which shall be considered his anniversary date. Douglas Jones will cooperate fully with the requirements of the Mayor and Council in providing requested information to enable the Mayor and Council to fairly and properly evaluate his performance.

Section 5. Compensation. The Mayor and City Council will determine the compensation of Douglas Jones as a function of this annual review. If the decision is made to increase his annual compensation, the increase will be effective on his anniversary date, or the next closest day determined by the rules of the Human Resources Department for commencement of salary increases. Should an evaluation or salary increase not be implemented by his anniversary date, he shall be entitled

to back pay representing the time between his anniversary date and the actual date the salary increase becomes effective.

Section 6. Auto Allowance.

- A. A monthly auto allowance will be paid to Douglas Jones.
- B. It will be calculated and set to reimburse him for expenses incurred in maintaining and using his personal vehicle on City business in the metropolitan area by the Finance Department.
- C. Each authorization for a monthly auto allowance for Douglas Jones will be automatically terminated when he vacates his position.

Section 7. Performance Measures. The City Council and the City Auditor will establish in writing priorities, goals and objectives within thirty (30) days of this agreement. These priorities, goals and objectives shall be incorporated into this agreement and made part of this agreement. These priorities, goals and objectives shall be reviewed and updated annually by the City Council at the time of the City Auditor's annual evaluation.

Section 8. Retirement Benefits.

A. Employee shall receive pension and retirement benefits afforded other Employees of the City in accordance with state law and local ordinance. Employee shall also be authorized to participate in applicable deferred compensation plans maintained by the City. In addition, the City agrees to allow Employee to contribute whatever portion of his base salary he shall deem personally appropriate to any City-approved deferred compensation plan allowing employee contributions. Upon Employee's resignation or termination, Employee may transfer all amounts in any deferred compensation plans at his discretion, if the plan so allows.

B. Employee will be a participant in the City's Supplemental Retirement Plan (the "Plan"). The City will contribute up to 10% of Employee's annual base salary each year to Employee's individual account as outlined in the Plan document, if and only if, like contributions are made by the City for the other City employees eligible to participate in the City's Plan. Other provisions regarding the Plan are contained in the Plan document.

Section 9 . Dismissal.

A. *Independence of the City Auditor.* The City Auditor serves at the pleasure of the Mayor and City Council. This Memorandum of Understanding seeks to provide further assurances that the work of the Office of the City Auditor is free from external impairment to independence which could restrict the work or interfere with the Office's ability to form independent and objective opinions, findings and conclusions. It is not the intention to grant Douglas Jones a property right or expectation to serve other than at the pleasure of the Mayor and City Council, but to

provide for financial ramifications should the Mayor and Council dismiss Douglas Jones as City Auditor under certain circumstances.

B. *Severance Payments.* Subject to the appropriation of funds, Douglas Jones shall be paid no less than a sum equal to six months' salary upon his removal from office during the term of this MOU. However, if after dismissal Douglas Jones opts to return to his former classified position with the City, he will not receive any severance payments.

C. *Denial of Payments.*

1. *Misconduct.* Douglas Jones shall not be entitled to this payment if his dismissal is due to misconduct. Misconduct shall not be construed to include the selection of audit topics or the refusal to breach the professional standards guiding the operation of the Office of the City Auditor. Misconduct will include:

- a. Conviction of a felony crime; or
- b. Breach or habitual neglect of duties required of the City Auditor, including the failure to correct deficiencies identified during the previous annual evaluation which he has failed to cure after reasonable written notice from the Council; or
- c. Conviction of any illegal act involving personal gain to him or a finding of violation of the City's Code of Ethics or the Code of Ethics for the State of Missouri.

2. *Performance.* Douglas Jones shall not be entitled to this payment if his dismissal follows a 12-month period for which he did not receive a salary increase because of inadequate performance and was provided reasonable standards for improvement which the Council finds were not met.

Section 10. At Will Employment. Nothing in this Memorandum of Understanding serves to grant any right to continued employment. With the exception of the explicit obligations assumed by the parties by Sections 1-9 of this Memorandum of Understanding, the terms and conditions of employment of Douglas Jones are consistent with those traditionally imposed on the City Auditor and are not changed. Reference to a 3-year term is for purposes of determining severance payments, not to guarantee a specific term of employment.

Section 11. Resignation by Douglas Jones. Nothing in this Memorandum of Understanding precludes Douglas Jones from resigning his position as City Auditor. A voluntary resignation by Douglas Jones shall not involve any payments as provided for by Section 9 of this MOU. If Douglas Jones is asked to resign by a majority of the City Council, and he resigns, he will be entitled to payments as provided for by Section 9, subject to the appropriation of funds. Employment records shall reflect a voluntary resignation.

Section 12. MOU Not Exclusive. This Memorandum of Understanding does not restrict the Mayor and Council from imposing new functions and duties on the Office of the City Auditor as authorized by the City Charter, the Code of Ordinances, and other ordinances, resolutions or regulations.

CITY OF KANSAS CITY, MISSOURI

DOUGLAS JONES

Mayor

Douglas Jones

Approved as to form and legality:

City Attorney