OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA

STEVE BULLOCK
GOVERNOR

CAPITOL BUILDING - P.O. BOX 200802
HELENA, MONTANA 59620-0802

MEMORANDUM

TO: Jon Motl, Commissioner
Political Practices

FROM: Dan Villa, Chairman
Legal Services Review Committee

RE: OUTSIDE LEGAL COUNSEL REQUEST
CONTRACT LOG REFERENCE NUMBER: 7-14 / Jay Dufrechou

DATE: October 11, 2013

The Legal Services Review Committee reviews contracts and amendments for form and content. Workload at Agency Legal Services is examined to determine whether the contract for outside legal services is appropriate.

This request meets our criteria and the Department may proceed with the contractor they have selected.

C: Mary Baker

TELEPHONE: (406) 444-3616 FAX: (406) 444-4670

Baker, Mary

From: Baker, Mary
Sent: Monday, September 30, 2013 3:48 PM
To: Nevins, Jeanne
Cc: Motl, Jonathan
Subject: Legal Services Review: Contract Modification
Attachments: dufrechou mod.pdf

Happy Monday Jeanne,

Attached is a contract modification for Jay Dufrechou who is contracted as a Deputy Commissioner for a couple of cases. Please review and let me know if/when it is approved.

Thanks,

Mary Baker
Program Supervisor
Commissioner of Political Practices
406-444-7416
mabaker@mt.gov

"You are Braver than you Believe, Smarter than you Seem, and Stronger than you Think."
Winnie the Pooh -

MODIFICATION OF CONTRACT

The Commissioner of Political Practices ("Commissioner") and Jay Dufrechou agree to modify their contract entered into on July 23, 2012. The purpose for this modification is to increase the term of the contract.

Contractor and the Commissioner, in consideration of the mutual covenants and stipulations set forth herein, agree as follows:

SECTION 3. TERM. Performance shall commence upon execution of this Agreement and will expire October 31, 2013. Contract can be extended by written agreement of the parties or earlier terminated as provided in Section 16.

IN WITNESS WHEREOF. The Commissioner and Contractor have executed this Modification on the date set out below:

DATED this day of September, 2013.

JAY DUFRECHOU, CONTRACTOR

JONATHAN R. MOTL
COMMISSIONER OF POLITICAL PRACTICES

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA

STEVE BULLOCK
GOVERNOR

CAPITOL BUILDING - P.O. BOX 200802
HELENA, MONTANA 59620-0802

MEMORANDUM

TO: Jonathan Motl, Commissioner
Political Practices

FROM: Dan Villa, Chairman
Legal Services Review Committee

RE: OUTSIDE LEGAL COUNSEL REQUEST
CONTRACT LOG REFERENCE NUMBER: 1-13a / Jay Defrechou

DATE: July 15, 2013

The Legal Services Review Committee reviews contracts and amendments for form and content. Workload at Agency Legal Services is examined to determine whether the contract for outside legal services is appropriate.

This request meets our criteria and the Department may proceed with the contractor they have selected.

Please resubmit the above-referenced, **signed** contract to the Office of Budget and Program Planning at your earliest convenience.

C: Mary Baker

TELEPHONE: (406) 444-3616 FAX: (406) 444-4670

MODIFICATION OF CONTRACT

The Commissioner of Political Practices ("Commissioner") and Jay Dufrechou agree to modify their contract entered into on July 23, 2012. The purpose for this modification is to increase the term of the contract, scope of work, and payment.

Contractor and the Commissioner, in consideration of the mutual covenants and stipulations set forth herein, agree as follows:

SECTION 1. SCOPE OF WORK. The Contractor agrees to provide consultation and representation for and on behalf of the Commissioner and act as Deputy Commissioner on two campaign finance complaints:

- Buell v. Footloose Montana
- Buell v. Montanans for Trap Free Public Lands

As Deputy Commissioner, contractor is responsible for issuing a Summary of Facts and Statement of Findings.

SECTION 2. PAYMENT. Contractor shall be paid the sum of $100 per hour not to exceed a total payment of $2400 in consideration of providing the services described in Section 1.

SECTION 3. TERM. Performance shall commence upon execution of this Agreement and will expire September 1, 2013. Contract can be extended by written agreement of the parties or earlier terminated as provided in Section 16.

IN WITNESS WHEREOF. The Commissioner and Contractor have executed this Modification on the date set out below:

DATED this 17th day of June, 2013.

JAY DUFRECHOU, CONTRACTOR

JONATHAN R. MOTL
COMMISSIONER OF POLITICAL PRACTICES

Baker, Mary

From: Fine, John
Sent: Wednesday, June 12, 2013 1:22 PM
To: Baker, Mary
Subject: RE: Question on Audit/Contracts
Attachments: 130612 MOM 375 pages 16, 17.docx

Mary,
I have attached pages 16, 17 of MOM 375, the FY 13 Fiscal Year End memo. I marked several sentences that pertain to your question. The key prerequisite for an A accrual is that the contract must be in place for the specific services on or before June 30. With the modifications you describe, the contract will contain specific projects and the expectation of performance within a specific period. The cases already exist, so the commissioner's office has current responsibility for the matter.
If you have further questions, call me at 4537 or 3122.

John

From: Baker, Mary
Sent: Wednesday, June 12, 2013 8:12 AM
To: Fine, John
Cc: Motl, Jonathan
Subject: Question on Audit/Contracts

Hi John,

We have an open ended contract with Jay Dufrechou for FY 13. Commissioner Motl wants to delegate deputy commissioner authority on two cases where he has conflict to Jay. If possible he wants to use FY 13 funds since we have the money. I don't want to have a finding on this issue again so want to run this past you first. If Jon does a memo to Jay's contract giving him authority over these two specific cases and we extend his FY 13 contract to Sept 2013, then I can accrue the funds needed to complete these two cases, correct? My understanding the problem with the last audit was that the contract with ALS was nonspecific and based on an estimate. We would include in the memo and contract modification, the term and dollar amount allocated for these two specific cases. FY 13 funds would not be used on anything else.

Let me know your thoughts.

Mary Baker
Program Supervisor
Commissioner of Political Practices
406-444-7416
mabaker@mt.gov

"You are Braver than you Believe, Smarter than you Seem, and Stronger than you Think."
Winnie the Pooh -

MOM 375, pages 16, 17

XI. Expenditure accruals
The expenditure accrual process consists of a series of procedures to be followed in order to accomplish: (1) the establishment of accrued expenditures related to the current fiscal year (2013) in accordance with the established valid obligation criteria as defined below; (2) the closing of accrued expenditures related to the prior fiscal years contained in the Actuals ledger; and (3) the closing of all current fiscal year encumbrances. See Section IX above for transactions occurring between agencies.

A. Establishing new expenditure accruals
Journals in the GL module are to be used to establish accrued expenditures for valid obligations incurred but unpaid as of the end of fiscal year 2013.

1. Valid obligation criteria
General criteria for determining valid obligations are as follows:
Materials and supplies: Materials and supplies should generally be expended in the fiscal year received. Goods ordered but not received as of fiscal year-end may be accrued if a purchase order (state and/or agency) was issued.

Services: Services should, as a general rule, be charged against the fiscal year in which the services will be received.
§ Valid obligations created by written interagency or intra-agency service agreements for systems development must be accrued at fiscal yearend in accordance with Section 17-7-302(1), MCA.

§ An expenditure may be accrued for written interagency or intra-agency agreements with the Department of Administration for the alteration, repair, maintenance, or renovation of a building. If the appropriation is not encumbered by a valid obligation at the end of the next fiscal year, the appropriation reverts to the fund from which it was originally appropriated [Section 17-7-302(2), MCA].

Equipment: Equipment should, as a general rule, be charged against the fiscal year in which a purchase order (PO) was issued. Equipment received after June 30 should not be entered onto the Asset Management system until the next fiscal year with an acquisition date later than June.

Contracts: Commitments related to unperformed legally binding contracts in process at year-end may be accrued.

2. Supporting documentation

It is the responsibility of the person approving the accrual to verify that the accrual meets the valid obligation criteria, and that the supporting documentation is sufficient to prove it. The supporting documentation must be kept by the agency. The following guidelines are recommended as minimum requirements for supporting documentation:

All journals submitted for processing should provide adequate

explanations and proper supporting documentation.

Estimates for utilities should be well documented.

Estimates for computer programming services should be supported by a contract.

Other contracts should be attached where applicable, or reference made to a claim which has the contract attached.

3. A Accruals (encumbrances)

After reviewing the criteria above, if you have a valid PO to purchase items or a contract for services to be received after June 30, this must be entered as an A Accrual. When applying the above criteria to A Accruals, agencies should first consider legislative intent. An A Accrual that complies with the valid obligation criteria but is contrary to the original intent of the legislature when appropriations were enacted, or as amended, if appropriate, should not be accrued.

Enter an A Accrual journal as follows:

Debit the appropriate expenditure account (6XXXX)

Credit account 2403 "A Accruals"

SABHRS edits are in place to only allow 2403 to be used with A Accrual journals. In order to post the journal as an A Accrual/Encumbrance you must click on the "Commitment Control" link found on the journal header panel. Select the "Encumbrance" button on the window that appears. By utilizing this feature in the GL, the budget will be affected, but not any balances in the ACTUALS ledger. These accrual journals will be loaded into the A-ACCRUAL ledger for reporting purposes where they will appear in the related trial balance.

A journal source of "EAC" may be used on the Header panel to assist the agency in tracking their A Accruals. Journals with "EAC" will have to be manually edited and budget checked.

A Accruals, account 2403, requires an open item key. This field can be up to 30 characters of the agency's choice. Please note the following:

§ Make sure you open item key is unique.

§ Use the fiscal year in the open item key. This helps DofA State Accounting Bureau in determining the age of accruals.

§ Make sure to set-up new accruals, using a new open item key, for each fiscal year. This also helps DofA State Accounting Bureau in determining the age of the accruals.

Paying an A Accrual journal as follows:

Reverse the entry created above. Remember to mark the "Encumbrance" button on the "Commitment Control" panel. Reversing this journal returns spending authority to your budget.

Process a voucher or another journal to make the actual payment. The coding for the journal or voucher is against the related reverted appropriation (program year not equal to 2014).

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA

RECEIVED
COMMISSIONER OF
POLITICAL PRACTICES

2012 JUL 26 P 1:03

BRIAN SCHWEITZER
GOVERNOR

CAPITOL BUILDING - P.O. BOX 200802
HELENA, MONTANA 59620-0802

MEMORANDUM

TO: James Murry, Commissioner
Political Practices

FROM: Dan Villa, Chairman
Legal Services Review Committee

RE: OUTSIDE LEGAL COUNSEL REQUEST
CONTRACT LOG REFERENCE NUMBER: 1-13 / Jay Dufrechou

DATE: July 25, 2012

The Legal Services Review Committee reviews contracts and amendments for form and content. Workload at Agency Legal Services is examined to determine whether the contract for outside legal services is appropriate.

This request meets our criteria and the Department may proceed with the contractor they have selected.

Please resubmit the above-referenced, **signed** contract to the Office of Budget and Program Planning at your earliest convenience.

C: Mary Baker

TELEPHONE: (406) 444-3616 FAX: (406) 444-4670

Baker, Mary

From: Baker, Mary
Sent: Tuesday, July 24, 2012 8:29 AM
To: Hammill, Vivian; Bovingdon, Ali; Villa, Dan; Nevins, Jeanne
Cc: Murry, Jim
Subject: Contract for Review
Attachments: fy13 contract.pdf

Good Morning Everyone,

Attached is an FY 13 contract for your review and approval. We continue to face an increased workload and Jay has recently handled several of our cases. In addition, often times Jim Scheier, our legal counsel at the Department of Justice, has a conflict therefore we need an outside attorney to assist our office with those complaints and lawsuits.

If you have any questions please feel free to call or write.

Thanks

Mary Baker
Program Supervisor
Commissioner of Political Practices
406-444-7416
mabaker@mt.gov

CONTRACT FOR LEGAL SERVICES

THIS AGREEMENT made and entered into this 23rd day of July, 2012, between the COMMISSIONER OF POLITICAL PRACTICES FOR THE STATE OF MONTANA, 1205 Eighth Avenue, Helena, Montana, hereinafter called "Agency", and JAY DUFRECHOU, Attorney and Counselor at Law, of PO Box 1066, Helena, Montana, hereinafter called the "Contractor".

Contractor and the Agency, in consideration of the mutual covenants and stipulations set forth herein, agree as follows:

SECTION 1. SCOPE OF WORK. It is agreed and understood by and between Contractor and the Agency, and Contractor covenants and agrees to furnish and provide to the Agency, legal services, consultation and representation for and on behalf of said Agency, on matters relating to ethics, being chapter 2 of Title 2, lobbying, being chapter 7 of Title 5, and election and campaign practices and to election contests, being chapters 35, 36, and 37 of Title 13, Montana Code Annotated, laws with which Contractor has previously been involved and of which Contractor has intimate knowledge.

SECTION 2. PAYMENT. Contractor shall be paid the sum of One-Hundred Dollars ($100) per hour not to exceed a total payment of Thirty Thousand Dollars ($30,000) in consideration of providing the services described in Section 1. In addition to the above compensation, payment for expenses relative to travel, meals and lodging shall be reimbursed at the rate paid state employees pursuant to Title 2, Chapter 18, part 5 MCA. Payment shall be made on a monthly basis upon submission by Contractor of a claim for services rendered and expenses incurred which shall list the total number of hours worked by the Contractor and the expenses incurred during the preceding calendar month. Claim for expenses incurred shall be supported by proper documentation, such as copies of receipts attached to the claim.

by the Agency provided, that the Agency may authorize the Contractor in writing to release such information.

SECTION 7. AGENCY ASSISTANCE. It is agreed the Agency shall cooperate with the Contractor and provide such access to agency records as is consistent with law and necessary for Contractor to provide the representation as set forth in Section 4. The Agency will provide no other assistance, personnel or equipment to contractor other than that specifically identified in this section: Clerical assistance as may be necessary to accomplish the services defined in Section 1.

SECTION 8. AUDIT. The Contractor shall maintain reasonable records of its performance under this Agreement. The Contractor agrees that the Legislative Auditor and the Legislative Fiscal Analyst may audit all records, reports, and other documents which the Contractor maintains under or in the course of this Agreement to insure compliance with this Agreement. Such records, reports, and other documents may be audited at any reasonable time.

SECTION 9. PERSONNEL. It is mutually agreed that the Contractor is an independent contractor and will furnish to the Agency certification from the appropriate state regulatory agency establishing either that the Contractor has elected workers' compensation coverage for himself or has an approved exemption from coverage, as required by applicable state law.

SECTION 10. INDEMNITY AND LIABILITY. The Contractor shall indemnify and hold harmless the Agency from and against any and all claims, demands, or actions from damages to property or injury to persons or other damage to persons or entities arising out of, or resulting from the Contractor's performance of this Agreement, including but not limited to damages, costs, and attorney fees, provided such damage to property or injury to persons is caused in whole or in part by the negligent act, error, or omission of the Contractor or any of its employees, agents, consultants, or subcontractors.

SECTION 16. LIMITS OF AGREEMENT. This instrument contains the entire Agreement between the parties, and except as provided in Section 2 no statements, promises of inducements made by either party, or agents of either party, which are not contained in the written Agreement shall be valid or binding. This Agreement may not be enlarged, modified or altered except as provided in Section 12, Modifications.

SECTION 17. DISCRIMINATION. Any hiring of employees under this contract by the Contractor shall be on the basis of merit and qualifications, and there shall be no discrimination in such hiring on the basis or race, color, religious creed, political ideas, sex, age, marital status, physical or mental handicap, national origin, or ancestry. As used herein, "qualifications" mean qualifications as are generally related to competent performance of the particular occupational task.

SECTION 18. LIAISON. The Agency has designated James W. Murry, Commissioner, as its liaison officer to whom Contractor is to direct its communications concerning the Agreement.

SECTION 19. TERMINATIONS. This Agreement shall continue in force and govern all transactions between the parties for the term stated in Section 3, or until canceled or terminated by either party. It is further agreed that either party may cancel this Agreement without cause upon 10 days written notice to the other party, by certified mail. In the event of termination, the Contractor shall be paid for the work performed or services rendered through the date of termination and the original copies of all pleadings, exhibits, notices, attorney's memoranda, forms, photographs, and expert's reports prepared by the Contractor prior to termination shall become the property of the Agency and shall be delivered to the Agency within a reasonable time.

SECTION 20. DISPUTES. This Agreement shall be governed by the laws of the State of Montana. In the event of litigation concerning the terms of this Contract, venue shall be in the Montana First Judicial District Court, County of Lewis and Clark.

Baker, Mary

From: Jay Dufrechou [dufrechoulaw@gmail.com] on behalf of Jay Dufrechou [jay@dufrechoulaw.com]
Sent: Monday, July 23, 2012 11:52 AM
To: Baker, Mary
Subject: ALPS certificate
Attachments: ALPS Certificate DLF.pdf

Hi Mary,

I noticed that our contract asks for a copy of our malpractice insurance declaration. It is attached.

Good seeing you guys this morning.

Best,

Jay

ALPS
A Family of Professional Service Companies

P.O. Box 9169, Missoula, MT 59807-9169
(406) 728-3113 • (800) 367-2577 • Fax (406) 728-7416
www.alpsnet.com

CONTINUED COVERAGE DECLARATIONS FOR POLICY NO. ALPS11655- 6

Item 1 – Named Insured: Dufrechou Law Firm, P.C.
Address: 21 N. Last Chance Gulch, Suite 207
P.O. Box 1199
Helena, MT 59624

Item 2 – Name of Each Insured Attorney:

	Retroactive Date
Dufrechou, Jay P.	01/05/2006
Dufrechou, Margaret	11/06/2006

Item 3 – Policy Period:

Effective Date:	01/05/2012	12:01 AM at the address stated in Item 1.
Expiration Date:	01/05/2013	
Loss Inclusion Date:	01/05/2006	

Item 4 – Limit of Liability: $ 1,000,000 *Each Claim
$ 1,000,000 Aggregate
*This means "all claims arising out of the same, related or continuing professional services".

Item 5 – Deductible: $ 5,000

Item 6 – Annual Premium: $ 4,979

Item 7 – Endorsements attached at inception of the policy form: PLP001a(08/01/2011):

Office Sharing Exclusion | Montana Cancellation Endorsement | First Dollar Defense Endorsement

NOTICE: This is a Claims Made and Reported policy. Except to such extent as may otherwise be provided herein, the coverage afforded under this policy is limited generally to liability for only those claims that are first made against the Insured and first reported to the Company while this policy is in force. Please review the policy carefully and discuss the coverage there under with your insurance advisor.

This policy is issued by your Risk Retention Group. Your Risk Retention Group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your Risk Retention Group.

All initial application forms and all application for continued coverage forms submitted to the Company are made a part of the policy. The Named Insured may obtain a copy of all application forms by submitting a written request to the Company.

Countersigned by: Karen Gleason
Authorized Representative

Date: January 04, 2012