

County of Los Angeles
Department of the Auditor-Controller
Audit Division



REQUEST FOR PROPOSALS

FOR

**CONTINUOUS CONTROLS MONITORING
(CCM) SOFTWARE**

May 2009

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1.0 INTRODUCTION

1.1 Purpose

The County of Los Angeles (“County”) desires a Continuous Controls Monitoring (CCM) software solution with minimal customization, which improves and strengthens internal controls and fiscal stability in a cost-efficient and effective manner.

CCM software solutions are intended to describe transaction monitoring (CCM-T), segregation of duties monitoring (CCM-SOD), master data management (CCM-MD), and application configuration (CCM-AC). The initial focus for the County will be for CCM-T and CCM-SOD software to continuously monitor electronic transactions to identify omissions, errors, potential fraud, and policy non-compliance by validating transaction data against specified control criteria. With these browser-based enterprise applications, summary reports are generated alerting management of potential anomalies for appropriate follow-up and investigation. When integrated with existing control procedures and activities, the resulting system provides a formidable deterrent to fraud, thereby ensuring that resources are utilized appropriately and that County assets are protected.

This Request for Proposals (RFP) specifically concerns the monitoring of areas where there is a strong industry focus due to the inherent risk and likelihood of fraudulent activity. These areas include, but are not limited to: procure-to-pay processes, procurement cards, payroll, general ledger, and travel/entertainment expenses.

Proposals shall also include the capability to provide desktop audit software for ad-hoc data analysis to augment the built-in capabilities of the CCM system.

1.2 Background

The following provides a brief overview of the County and the services it provides, and describes the overall goals and objectives for a continuous controls monitoring solution.

The County was established in 1850 as one of California's original 27 counties. The County is one of the nation's largest counties with 4,084 square miles, an area some 800 square miles larger than the combined area of the states of Delaware and Rhode Island. Within its boundaries are 88 cities. It has a population of more than 10 million – more residents than any other county in the nation, exceeded by only seven states.

As a subdivision of the State, the County is charged with providing numerous services that affect the lives of all residents. The County provides critical medical care, mental health, and substance abuse services to indigents; provides law enforcement, fire and disaster rescue services; prosecutes, jails, and supervises criminals; operates libraries; works to protect children from abuse; maintains roads and dams; and serves its residents in many other ways.

The County employs approximately 107,000 full-time employees (approximately 30,000 of which are in the health services area) and has 39 departments. The County provides a broad array of services to one of the most culturally diverse communities in the country. For example, the Department of Health Services annually handles nearly 3 million outpatient visits, 537,000 hospital inpatient days, and nearly 240,000 hospital

emergency room visits. The department provides hospital or clinic health care to nearly 700,000 residents. The County's Department of Mental Health is the largest county mental health department in the country and directly operates more than 50 program sites, and contracts with more than 1,000 providers, including non-governmental agencies and individual practitioners who provide a spectrum of mental health services to all ages.

On July 1, 2005, the County implemented the Accounts Payable, Accounts Receivable, General Ledger, and Cost Accounting modules of CGI's Advantage Financial Suite as the first phase of an Enterprise Resource Planning (ERP) solution. The system is called eCAPS. Since, the County has initiated a phased implementation of the Inventory, Procurement, and Time Collection modules. Payroll and Personnel activities are currently processed in the County's legacy mainframe environment.

Future implementation plans include, but are not limited to, Procurement Cards, Travel and Entertainment, Payroll and Personnel, Employee Self-Service, and Human Resources (eHR).

The following statistics are presented to provide additional background on eCAPS:

- In FY 2007-2008, eCAPS issued approximately 350,000 warrants per month.
- The County's estimated 107,000 employees are paid twice per month.
- eCAPS' Vendor/Customer Table has approximately 200,000 vendors.
- The County utilizes ten (10) primary bank accounts.

The County seeks a software solution that has a demonstrably successful record for testing transactions for user-defined criteria and monitoring segregation of duties. CCM software test results should be easy to retrieve and view. The CCM software must be able to monitor transactions and segregation of duties from multiple disparate systems and allow for customization of user-defined control criteria.

1.3 Overview of Solicitation Document

This Request for Proposals (RFP) is composed of the following parts:

- **INTRODUCTION:** Specifies the Proposer's minimum requirements, provides information regarding some of the requirements of this solicitation and explains the solicitation process.
- **PROPOSAL SUBMISSION REQUIREMENTS:** Contains instructions to Proposers on how to prepare and submit their proposal.
- **SELECTION PROCESS AND EVALUATION CRITERIA:** Explains how the proposals will be evaluated and selected.
- **APPENDICES:**
 - A. **SAMPLE SOFTWARE LICENSE AGREEMENT (Agreement):** Provides a sample of the contractual format, terms and conditions which may result from this Agreement.

- B. STATEMENT OF WORK: Explains in detail the requirements of the tasks to be performed under the Agreement.
- C. FUNCTIONAL AND TECHNICAL REQUIREMENTS
- D. COST PROPOSAL RESPONSE
- E. REQUIRED FORMS: Forms contained in this section must be completed and included in the proposal.
 - 1. CERTIFICATION OF INDEPENDENT PRICE VERIFICATION
 - 2. CERTIFICATION OF NO CONFLICT OF INTEREST
 - 3. CHILD SUPPORT COMPLIANCE PROGRAM CERTIFICATION
 - 4. FAMILIARITY WITH THE COUNTY LOBBYIST ORDINANCE CERTIFICATION
 - 5. LOS ANGELES COUNTY COMMUNITY BUSINESS ENTERPRISE PROGRAM
 - 6. PRINCIPAL OWNER INFORMATION FORM (POI)
 - 7. PROPOSER'S EEO CERTIFICATION
 - 8. ATTESTATION OF WILLINGNESS TO CONSIDER GAIN/GROW PARTICIPANTS
 - 9. JURY SERVICE PROGRAM
 - 10. PROSPECTIVE CONTRACTOR REFERENCES
 - 11. PROSPECTIVE CONTRACTOR LIST OF CONTRACTS WITH ALL PUBLIC ENTITIES WITHIN LAST THREE (3) YEARS

1.4 Terms and Definitions

Throughout this RFP, references are made to certain persons, groups, departments/agencies or certain technical terms. A description of specific definitions for these references can be found in *Appendix A, Sample Software License Agreement, Paragraph 3, Definitions*.

1.5 Minimum Mandatory Requirements (Pass/Fail)

Interested and qualified Proposers that can demonstrate their ability to successfully provide a CCM software solution, as described in *Appendix C, Functional and Technical Requirements*, and associated professional services, installation and configuration services, and training, as outlined in the *Appendix B, Statement of Work* of this RFP, are invited to submit a proposal, provided they meet the following business and contractual requirements of this RFP:

1.5.1 The Proposer must have a minimum of three (3) installations of CCM software with customers, whose automated systems process at least one million (1,000,000) electronic transactions annually, with at least one installation within the last three (3) years.

1.5.2 The Proposer must have at least one (1) installation of CCM software with a government customer in the United States (federal, State, or local), within the last

three (3) years. (Note: Experience installing and integrating CCM software with a CGI product is desirable.)

- 1.5.3** The Proposer must provide three (3) and only three (3) verifiable client references where its CCM software has been in production use by the client for at least six (6) months within the last year. For purposes of this RFP, production use is defined as software that not currently being used in a beta or alpha test.
- 1.5.4** The Proposer must certify agreement to a “no-cost” product demonstration as part of the evaluation process of this RFP. **AT NO TIME WILL THE COUNTY BE LIABLE FOR ANY COSTS INCURRED BY ANY PROPOSER(S) IN PREPARATION OF OR CONDUCTING THE PRODUCT DEMONSTRATION.** The submission of a proposal constitutes certification of proposer’s agreement to a “no-cost” production demonstration.
- 1.5.5** The Proposer’s CCM software solution shall be compatible with Oracle database versions 10g and 11g.
- 1.5.6** The Proposer’s CCM software solution shall use a browser-based user interface (e.g., Internet Explorer 7).

1.6 County Rights & Responsibilities

The County has the right to amend the RFP by written addendum. The County is responsible only for that which is expressly stated in this RFP and any authorized written addenda thereto. Such addendum shall be made available to each person or organization which County records indicate has received this RFP. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the Proposal not being considered, as determined in the sole discretion of the County. The County is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf.

1.7 Agreement Term

The initial Agreement term shall be for a period of five (5) years with two (2) one-year options to renew and shall include the following:

- a) Software license and installation
- b) Implementation services
- c) Software Warranty
- d) Software Maintenance

The Agreement shall commence on the date of execution of the Software License Agreement by County and Contractor. The County shall in no way pay for software maintenance until after the warranty period has expired.

The Proposer’s proposal shall be part of the final contract. The terms of implementation services will be negotiated based on Proposal and County’s needs.

1.8 License

1.8.1 License Grant

Contractor hereby grants to County an enterprise-wide, perpetual, nonexclusive license, for all Users, unrestricted except as expressly restricted in this Agreement, non-transferable except as provided in this Agreement (the "License") to:

(i) use the System Software, including the Third Party Software, on an unlimited number of computers, servers, local area networks and wide area networks, for an unlimited number of Users, including use by any and all other governmental agencies and other organizations and entities that County may allow to access the System, except that the use of certain Third Party Software shall be subject to limitations on the number of concurrent Users as set forth in Paragraph 9.7 (Third Party Software);

(ii) use any Interface, Conversion and other Custom Programming Modification provided by or on behalf of Contractor for the benefit of any County Facility, including making copies and installing such software;

(iii) modify the Application Software, including Source Code and Third Party Software, provided, however County agrees to refrain from the exercise of its rights under this Paragraph 10.2.1(iii) until the occurrence of a Release Condition;

(iv) permit third party access to the System Software, the Documentation, and the Source Code, or any part thereof, as necessary or appropriate for County fully to enjoy the rights granted under this Agreement, including the provision of Maintenance and Support Services, customizations or other support of the System; provided however, that without limiting the use rights set forth in Paragraph 10.2.1(i), County agrees to refrain from exercising its rights under this Paragraph 10.2.1(iv) unless and until the occurrence of a Release Condition.

(v) use, modify, copy and publish the Documentation as may be necessary or appropriate for County to enjoy fully its rights under this Agreement; and

(vi) reproduce and use a reasonable number of copies of the System Software: (1) by County and permitted assignees for archive and backup purposes; and (2) by County for the use of permitted assignees, so long as all copies of the System Software contain the proprietary notices appearing on the copies initially furnished to County by Contractor.

1.9 Agreement Rates

There will be a maximum amount in the contract that can not be exceeded. The selected contractor shall receive a fixed price based on the County's receipt of adequate deliverables. The Agreement maintenance, support, and professional services (hourly, daily, monthly, etc.) charges may be adjusted annually by the County, in its sole discretion, to an amount not to exceed the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the most recently published percentage change for the 12-month period preceding the Agreement anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Executive Office as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County employee salaries; no adjustment increase will be granted.

1.10 Prime Contractor Relationship

Los Angeles County intends to contract only with the highest rated vendor to be known as the Prime Contractor. The vendor selected shall be solely responsible for contractual performance of the proposed solution and its products. Subcontracting or third-party software product assignments proposed under this solicitation must be clearly identified. Subcontracting or third party software vendors must meet the same contractual terms and conditions as the prime contractor.

In the event of a subcontracting or third-party software product arrangement, the prime contractor assumes final responsibility for delivery, installation, maintenance, and any support service, including documentation that is supplied by the subcontractor or third-party software vendor.

Vendors who bid components for which he/she is not an authorized dealer shall bear the responsibility to ensure that the replacement, service, upgrades, fixes, enhancements, training, license rights and maintenance of said components shall equal or exceed the original manufacturer or the authorized dealer's warranty.

The contractor must receive written approval from the County prior to the use of any subcontractor(s).

1.11 Days of Operation

The Contractor will be required to provide installation and configuration services at County's location stated in *Appendix B, Statement of Work*, Monday through Friday, 8:00 AM through 5:00 PM Pacific Time, excluding County designated holidays, unless other arrangements are approved by the County's Project Director.

1.12 Contact With County Personnel

Any contact regarding this RFP or any matter relating thereto must be in writing and may be mailed, emailed or faxed as follows:

Fernando Lemus
Los Angeles County Department of Auditor-Controller
Audit Division
350 S. Figueroa St., 8th Floor
Los Angeles, CA 90071
Email: flemus@auditor.lacounty.gov
Fax: (213) 897-1561

All other contact is forbidden.

1.13 Mandatory Requirement to Register on County's WebVen

Within five (5) calendar days of Proposer submitting a proposal, Proposer must register in the County's WebVen. The WebVen contains the Vendor's business profile and identifies the goods/services the business provides. Registration can be accomplished online via the Internet by accessing the County's home page at:

<http://camisvr.co.la.ca.us/webven/>

1.14 County Option To Accept/Reject Proposals

The County is not bound to accept a proposal on the basis of lowest price, and further, the County may elect to waive any informality or irregularity in a proposal if the County, in its sole discretion, determines that the sum and substance of the proposal is present. The County reserves the right to accept or reject any or all of the items in the proposal, and to award the Agreement in whole or in part and/or negotiate any or all items with individual or multiple Proposers if it is deemed to be in the County's best interest. Prior to award, County reserves the right to request clarification of any proposal.

Notwithstanding any other provision of this request for proposal, including but not limited to the requirement that proposers provide pricing information for multiple and specific software modules, as set forth in *Appendix D, Cost Proposal*, the County is under no obligation to purchase any specific software module and may chose to purchase some, all or none of the modules specifically priced.

1.15 County Protest Process

Any actual or prospective bidder/proposer may file a protest in connection with the solicitation or award of a Board-approved service contract. It is generally accepted that the bidder/proposer challenging the decision of a County department bears the burden of proof in its claim that the department committed a sufficiently material error in the solicitation process to justify invalidation of a proposed award.

Throughout the review process, the County has no obligation to delay or otherwise postpone an award of contract based on a bidder/proposer protest. In all cases, the County reserves the right to make an award when it is determined to be in the best interest of the County of Los Angeles to do so.

1.14.1 Grounds for Review

Unless state or federal statutes or regulations otherwise provide, the grounds for review of any departmental determination or action should be limited to the following:

- Review of Solicitation Requirements
- Review of a Disqualified Proposal
- Review of Department's Proposed Contractor Selection

The following describes the procedures to be followed for each of these areas.

1.14.2 Solicitation Requirements Review

A person or entity may seek a Solicitation Requirements Review by submitting a written request for review to the department conducting the solicitation. A Solicitation Requirements Review shall only be granted under the following circumstances:

- The request for a Solicitation Requirements Review is made within ten (10) business days of the issuance of the solicitation document;
- The request for a Solicitation Requirements Review includes documentation, which demonstrates the underlying ability of the person or entity to submit a proposal.

- The request for a Solicitation Requirements Review itemizes in appropriate detail, each matter contested and factual reasons for the requested review; and
- The request for a Solicitation Requirements Review asserts either that:
 - application of the minimum requirements, evaluation criteria and/or business requirements unfairly disadvantages the proposer; or,
 - due to unclear instructions, the process may result in the County
 - not receiving the best possible responses from the proposers.

The Solicitation Requirements Review shall be completed and the department's determination shall be provided to the proposer, in writing, within a reasonable time prior to the proposal due date.

1.14.3 Disqualification Review

A proposal may be disqualified from consideration because a department determined it was a non-responsive proposal at any time during the review/evaluation process. If a department determines that a proposal is disqualified due to non-responsiveness, the department shall notify the proposer in writing.

Upon receipt of the written determination of non-responsiveness, the proposer may submit a written request for a Disqualification Review by the date specified. Requests for a Disqualification Review not timely submitted will be denied. A Disqualification Review shall only be granted under the following circumstances:

1. The firm/person requesting a Disqualification Review is a proposer;
2. The request for a Disqualification Review is submitted timely; and,
3. The request for a Disqualification Review asserts that the department's determination of disqualification due to proposal non-responsiveness was erroneous (e.g. factual errors, etc.) and provides factual support on each ground asserted as well as copies of all documents and other material that support the assertions.

The Disqualification Review shall be completed and the determination shall be provided to the proposer, in writing, prior to the conclusion of the evaluation process.

1.16 Department's Proposed Contractor Selection Review

1.15.1 Departmental Debriefing Process

Upon completion of the evaluation, and prior to entering negotiations with the selected proposer, the department shall notify the remaining proposers in writing that the department is entering negotiations with another proposer. Upon receipt of the letter, the proposer may submit a written request for a Debriefing within the time specified in the letter. A Debriefing will not be provided unless the request is submitted within the timeframe specified.

The purpose of the Debriefing is to compare the proposer's response to the solicitation document with the evaluation document. The proposer shall be debriefed only on its

response. Because the contract process has not been completed, responses from other proposers shall not be discussed.

If the proposer is not satisfied with the results of the debriefing, it may, within five (5) business days of the debriefing, request a review on the grounds and in the manner set forth below for review of the department's recommendation for contract award.

1.15.2 Proposed Contractor Selection Review

The proposer may submit a written request for a Proposed Contractor Selection Review if they assert that their bid/proposal should have been determined to be the lowest cost, responsive and responsible bid or the highest-scored proposal because of one of the following reasons:

- a. The department materially failed to follow procedures specified in its solicitation document. This includes:
 - Failure to correctly apply the standards for reviewing the proposal format requirements.
 - Failure to correctly apply the standards, and/or follow the prescribed methods, for evaluating the proposals as specified in the solicitation document.
 - Use of evaluation criteria that were different from the evaluation criteria disclosed in the solicitation document.
- b. The department made identifiable mathematical or other errors in evaluating proposals, resulting in the proposer receiving an incorrect score and not being selected as the recommended contractor.
- c. A member of the Evaluation Committee demonstrated bias in the conduct of the evaluation.
- d. Another basis for review as provided by state or federal law.

Upon completing the Proposed Contractor Selection Review, the department representative shall issue a written decision to the proposer within a reasonable time following receipt of the request for a Proposed Contractor Selection Review, and always before the date the contract award recommendation is to be heard by the Board. If the proposer is not satisfied with the results of the Proposed Contractor Selection Review, it may request a review on the grounds and in the manner set forth below for a County Review Panel.

1.15.3 County Review Panel Process

If the proposer is not in agreement with the results of the department's Proposed Contractor Selection Review, the proposer may submit a written request for a review by a County Review Panel.

Upon completion of the Panel's Review, the Panel will forward its report to the department, which will provide a copy to the proposer.

1.17 Administrative Review Process

The Proposer shall be notified in writing if the County determines that their proposal is incomplete or non-responsive to this RFP. The letter shall state specifically what is missing in the proposal. Upon receipt of the letter, the Proposer may request an

Administrative Review in writing via U.S. mail, e-mail, and/or fax. The request must be received within the deadline specified in the letter, it must include a copy of the letter received from the County, and it must itemize in full and complete detail each matter presented, as well as the factual and/or legal reason(s) for the requested review.

The Request shall be submitted to:

Fernando Lemus
Los Angeles County Department of Auditor-Controller
Audit Division
350 S. Figueroa St., 8th Floor
Los Angeles, CA 90071
Email: flemus@auditor.lacounty.gov
Fax: (213) 897-1561

Any request which strictly complies with the foregoing will be referred for consideration by the County.

The Proposer shall be notified in writing of the County's decision to conduct an Administrative Review.

1.18 Notice To Proposers Regarding The Public Records Act

- 1.18.1 Responses to this RFP shall become the exclusive property of the County. All such proposals submitted in response to this RFP, become a matter of public record, with the exception of those parts of each proposal which are defined by the Contractor as business or trade secrets, and plainly marked as "Trade Secret," "Confidential," or "Proprietary."
- 1.18.2 The County shall not, in any way, be liable or responsible for the disclosure of any such record or any parts thereof, if disclosure is required or permitted under the California Public Records Act or otherwise by law. **A blanket statement of confidentiality or the marking of each page of the proposal as confidential shall not be deemed sufficient notice of exception. The Proposer(s) must specifically label only those provisions of the proposal which are "Trade Secrets," "Confidential," or "Proprietary" in nature.** Proposer(s) may be required to provide justification for the use of "Trade Secret", "Confidential", or "Proprietary" to designate portions of the Proposal as confidential.

1.19 Indemnification and Insurance

Contractor shall be required to comply with the indemnification provisions contained in *Appendix A, Sample Software License Agreement, Sub-paragraph 16.1*. The Contractor shall procure, maintain, and provide to the County proof of insurance coverage for all the programs of insurance along with associated amounts specified in *Appendix A, Sample Software License Agreement, Sub-paragraphs 16.2.2.1, 16.2.2.2 and 16.2.2.3*.

1.20 Background and Security Investigations

All Contractor staff performing work under the Agreement must undergo and pass, to the satisfaction of County, background and security investigations including, but not limited to, Livescan clearance as a condition of beginning work under the Agreement. The investigations shall be at Contractor's expense and shall be conducted by an investigation

organization licensed by the State of California. County shall, in its sole discretion, grant or withhold approval for granting security clearance to Contractor's employees.

1.21 Employee Acknowledgement, Confidentiality and Copyright Assignment Agreement

Contractor shall be required to comply with the Confidentiality provisions contained in *Appendix A, Sample Software License Agreement, Paragraph 25* and the Subcontracting provisions contained in *Appendix A, Sample Software License Agreement, Paragraph 23*. Contractor shall ensure that it obtains and submits to the County, a signed "*Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement*" as specified in *Appendix A, Sample Software License Agreement, Exhibit B*, for each employee performing services under the Agreement before execution of the Agreement and before an employee begins work under the Agreement.

1.22 Conflict of Interest

No County employee whose position in the County enables him/her to influence the selection of a Contractor for this RFP, or any competing RFP, nor any spouse of economic dependent of such employees, shall be employed in any capacity by a Proposer or have any other direct or indirect financial interest in the selection of a Contractor. Proposer shall certify that he/she is aware of and has read Section 2.180.010 of the Los Angeles County Code as stated in *Appendix E - Required Forms Exhibit 2, Certification of No Conflict of Interest*.

1.23 Determination of Proposer Responsibility

The County's process, as it pertains to this RFP, for evaluating proposers and their proposals is as follows:

1. County will evaluate proposers on a pass/fail according the Minimum Mandatory Requirements as stated in Section 1.5 of this RFP.
2. County will evaluate proposals on a pass/fail as to the proposals responsiveness to the requirements set forth in this RFP.
3. County shall evaluate proposers as to their responsibility on a pass/fail basis.
4. If a proposer and their respective proposal pass items 1 through 3 above, then County shall evaluate and score the proposal.

1.23.1 Responsible Proposer

A responsible Proposer is a Proposer who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Agreement. It is the County's policy to conduct business only with responsible Proposers.

1.23.2 Chapter 2.202 of the County Code

Proposers are hereby notified that, in accordance with Chapter 2.202 of the County Code, the County may determine whether the Proposer is responsible based on a review of the Proposer's performance on any contracts, including but not limited to County Agreements. Particular attention will be given to

violations of labor laws related to employee compensation and benefits, and evidence of false claims made by the Proposer against public entities. Labor law violations which are the fault of the subcontractors and of which the Proposer had no knowledge shall not be the basis of a determination that the Proposer is not responsible.

1.23.3 Non-responsible Proposer

The County may declare a Proposer to be non-responsible for purposes of this solicitation if the Purchasing Agent, in its discretion, finds that the Proposer had done any of the following: (1) committed any act or omission which negatively reflects on the Proposer's quality, fitness or capacity to perform the tasks or requirements of this solicitation, any Agreement with the County or a contract with any other public entity, or engaged in a pattern or practice which negatively reflects on same; (2) committed an act or omission which indicates a lack of business integrity or business honesty; or (3) made or submitted a false claim against the County or any other public entity.

1.23.4 Subcontractors of Proposers

These terms shall also apply to proposed subcontractors of Proposers on County Agreements.

1.24 Proposer Debarment

1.24.1 Chapter 2.202 of the County Code

The Proposer is hereby notified that, in accordance with Chapter 2.202 of the County Code, the County may debar the Proposer from bidding on other County Agreements for a specified period of time, not to exceed three (3) years, and the County may terminate any or all of the Proposer's existing Agreements with County, if the Board of Supervisors finds, in its discretion, that the Proposer has done any of the following: (1) violated any term of a Agreement with the County, (2) committed any act or omission which negatively reflects on the Proposer's quality, fitness or capacity to perform a Agreement with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

1.24.2 Notice to Proposer

If there is evidence that the apparent highest ranked Proposer may be subject to debarment, the Department, through the Purchasing Agent shall notify the Proposer in writing of the evidence, which is the basis for the proposed debarment, and shall advise the Proposer of the scheduled date for a debarment hearing before the Contractor Hearing Board.

1.24.3 Contractor Hearing Board

The Contractor Hearing Board shall conduct a hearing where evidence on the proposed debarment is presented. The Proposer and/or Proposer's representative shall be given an opportunity to submit evidence at that hearing.

After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Proposer should be debarred, and, if so, the appropriate length of time of the debarment. If the Proposer fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Proposer may be deemed to have waived all rights of appeal.

1.24.4 Presentation to Board of Supervisors

A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

1.24.5 Subcontractors of Proposers

These terms shall also apply to proposed subcontractors of Proposers on County Agreements.

1.24.6 Debarment List

Appendix I, Listing of Contractor Debarred in Los Angeles County is a listing of Contractors that are currently on debarred from doing business with the County.

1.25 Proposer's Adherence to County's Child Support Compliance Program

At the time of proposal submission to the Auditor-Controller, Proposers must submit separately to the Los Angeles County Child Support Services Department (CSSD) a completed *Principal Owner Information Form (POI Form)* set forth in *Appendix E – Required Forms, Exhibit 6*. Proposers are to maintain documentation of submission.

Additionally, Proposers shall submit along with a proposal to the Auditor-Controller, certifications in accordance with the provisions of Section 2.200.060 of the County Code, that: 1) the POI Form has been appropriately completed and provided to the CSSD with respect to the Contractor's Principal Owners; 2) the Contractor has fully complied with all applicable State and Federal reporting requirements relating to employment reporting for its employees; and 3) the Contractor has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment and will continue to maintain compliance. Such certification must be submitted on the *Child Support Compliance Program Certification (CSCP Certification)* set forth in *Appendix E – Required Forms, Exhibit 3*. Failure by a Proposer to submit the CSCP Certification (which includes certification that the POI Form has been submitted to the CSSD) to the Auditor-Controller along with a proposal and a copy to the CSSD shall be grounds for a finding that a proposal is non-responsive (County Code Section 2.200.070).

1.26 Gratuities

1.26.1 Attempt to Secure Favorable Treatment

It is improper for any County officer, employee or agent to solicit consideration, in any form, from a Proposer with the implication, suggestion or statement that the Proposer's provision of the consideration may secure more favorable treatment for the Proposer in the award of the Agreement or that the Proposer's failure to provide such consideration may negatively affect the County's consideration of the Proposer's submission. A Proposer shall not offer or give either directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Agreement.

1.26.2 Proposer Notification to County

A Proposer shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 / (800) 544-6861. Failure to report such a solicitation may result in the Proposer's submission being eliminated from consideration.

1.26.3 Form of Improper Consideration

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

1.27 Notice to Proposers Regarding the County Lobbyist Ordinance

The Board of Supervisors of the County of Los Angeles has enacted an ordinance regulating the activities of persons who lobby County officials. This ordinance, referred to as the "Lobbyist Ordinance", defines a County Lobbyist and imposes certain registration requirements upon individuals meeting the definition. The complete text of the ordinance can be found in County Code Chapter 2.160. In effect, each person, corporation or other entity that seeks a County permit, license, franchise or contract must certify compliance with the ordinance. As part of this solicitation process, it will be the responsibility of each Proposer to review the ordinance independently as the text of said ordinance is not contained within this RFP. Thereafter, each person, corporation or other entity submitting a response to this solicitation, must certify that each County Lobbyist, as defined by Los Angeles County Code Section 2.160.010, retained by the Proposer is in full compliance with Chapter 2.160 of the Los Angeles County Code by completing and submitting the *Familiarity of the County Lobbyist Ordinance Certification*, as set forth in *Appendix E - Required Forms Exhibit 4*, as part of this proposal.

1.28 Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service (IRS) Notice No. 1015. Reference *Appendix J*.

1.29 Consideration of GAIN/GROW Participants for Employment

As a threshold requirement for consideration for Contract award, Proposers shall demonstrate a proven record of hiring participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) or General Relief Opportunity for Work (GROW) Programs or shall attest to a willingness to consider GAIN/GROW participants for any future employment openings if they meet the minimum qualifications for that opening. Additionally, Proposers shall attest to a willingness to provide employed GAIN/GROW participants access to the Proposers' employee mentoring program, if available, to assist these individuals in obtaining permanent employment and/or promotional opportunities. Proposers who are unable to meet this requirement shall not be considered for Contract award. Proposers shall complete and return the form, *Attestation of Willingness to Consider GAIN/GROW Participants*, as set forth in *Appendix E - Required Forms, Exhibit 8*, along with their proposal.

1.30 County's Quality Assurance Program

After Agreement award, the County or its agent will evaluate the Contractor's performance under the Agreement on a periodic basis. Such evaluation will include assessing Contractor's compliance with all terms in the Contract and performance standards identified in the Statement of Work. Contractor's deficiencies which the County determines are severe or continuing and that may jeopardize performance of the Agreement will be reported to the County's Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate the Agreement in whole or in part, or impose other penalties as specified in the Agreement.

1.31 Recycled Paper

Proposer shall be required to comply with the County's policy on recycled paper as specified in *Appendix A, Sample Software License Agreement, Paragraph 89*.

1.32 Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Appendix K, Safely Surrendered Baby Law* of this solicitation document and is also available on the Internet at www.babysafela.org for printing purposes.

1.33 County Policy on Doing Business with Small Business

The County has multiple programs that address Small Businesses. Each program has a different definition for Small Business. Listed below are the programs with their respective definitions. The County also has a Policy on Doing Business with Small Business that is stated in *Appendix F*.

1.33.1 Jury Service Program

Definition of a Small Business is:

A business which has **ten or fewer employees AND** has annual gross revenues in the preceding twelve months which, if added to the annual amount of this Contract, are **\$500,000 or less; AND** is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below.

“Dominant in its field of operation” means having more than **ten employees**, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the Contract awarded, **exceed \$500,000**. **“Affiliate or subsidiary of a business dominant in its field of operation”** means a business which is at **least 20 percent** owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders or their equivalent, of a business dominant in that field of operation.

The Jury Service Program is further defined in Sub-paragraph 1.31 in this Section.

1.33.2 Local Small Business Enterprise Preference Program

Definition of a Certified Local Small Business Enterprise is:

A business certified as a small business enterprise by the State of California; **AND** has its principal office currently located in Los Angeles County for a period of at least the past 12 months; **AND** has been certified by OAAC as meeting the requirements set forth in the definitions listed above. Proposers may register on-line for the Local Small Business Enterprise certification by accessing the website shown below:

<http://oaac.co.la.ca.us/SBEMain.shtml>

The Local Small Business Enterprise Preference Program is further defined in Sub-paragraph 1.32 in this Section.

1.34 Jury Service Program

The prospective Contract is subject to the requirements of the County’s Contractor Employee Jury Service Ordinance (“Jury Service Program”) (Los Angeles County Code, Chapter 2.203). Prospective Contractors should carefully read the *Appendix G, Jury Service Program*, and the pertinent jury service provisions of the *Appendix A, Sample Software License Agreement, Paragraph 90*, both of which are incorporated by reference into and made a part of this RFP. The Jury Service Program applies to both Contractors and their Subcontractors. Proposals that fail to comply with the requirements of the Jury Service Program will be considered non-responsive and excluded from further consideration.

- 1.34.1** The Jury Service Program requires Contractors and their Subcontractors to have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of

regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employee's regular pay the fees received for jury service. For purposes of the Jury Service Program, "employee" means any California resident who is a full-time employee of a Contractor and "full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) the Contractor has a long-standing practice that defines the lesser number of hours as full time. Therefore, the Jury Service Program applies to all of a Contractor's full-time California employees, even those not working specifically on the County project. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program.

1.34.2 There are two ways in which a Contractor might not be subject to the Jury Service Program. The first is if the Contractor does not fall within the Jury Service Program's definition of "Contractor". The Jury Service Program defines "Contractor" to mean a person, partnership, corporation or other entity which has a contract with the County or a Subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. The second is if the Contractor meets one of the two exceptions to the Jury Service Program. The first exception concerns small businesses and applies to Contractors that have 1) ten or fewer employees; and, 2) annual gross revenues in the preceding twelve months which, if added to the annual amount of this Contract is less than \$500,000, and, 3) is not an "affiliate or subsidiary of a business dominant in its field of operation". The second exception applies to Contractors that possess a collective bargaining agreement that expressly supersedes the provisions of the Jury Service Program. The Contractor is subject to any provision of the Jury Service Program not expressly superseded by the collective bargaining agreement.

1.34.3 If a Contractor does not fall within the Jury Service Program's definition of "Contractor" or if it meets any of the exceptions to the Jury Service Program, then the Contractor must so indicate in the *Certification Form and Application for Exception, Exhibit 9 in Appendix E - Required Forms*, and include with its submission all necessary documentation to support the claim such as tax returns or a collective bargaining agreement, if applicable. Upon reviewing the Contractor's application, the County will determine, in its sole discretion, whether the Contractor falls within the definition of Contractor or meets any of the exceptions to the Jury Service Program. The County's decision will be final.

1.35 Local Small Business Enterprise Preference Program

In evaluating proposals, the County will give preference to businesses that are certified by the County as a Local Small Business Enterprise (Local SBE), consistent with Chapter 2.204 of the Los Angeles County Code. A Certified Local SBE is a business: 1) certified by the State of California as a small business enterprise; 2) having its principle office currently located in Los Angeles County for a period of at least the past

12 months; and 3) certified by Office of Affirmative Action Compliance as meeting the requirements set forth in 1 and 2 above.

To apply for certification as a Local SBE, companies may register at the Office of Affirmative Action Compliance's website at:

<http://oaac.co.la.ca.us/SBEMain.shtml>

Certified Local SBEs must request the SBE Preference in their solicitation responses and may not request the preference unless the certification process has been completed and certification affirmed. County must verify Local SBE certification prior to applying the preference. Sanctions and financial penalties may apply to a business that knowingly, and with intent to defraud, seeks to obtain or maintain certification as a certified Local SBE.

Information about the State's small business enterprise certification regulations is in the California Code of Regulations, Title 2, Subchapter 8, Section 1896 et seq., and is also available on the California Department of General Services Office of Small Business Certification and Resources Web site at:

<http://www.pd.dgs.ca.gov/smbus/default>.

1.36 Most Favored Public Entity

If Contractor's prices decline, or should Contractor, at any time during the term of the Contract, provide the identical software, software models, components, goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in the Contract, then such lower prices shall be immediately extended to County.

1.37 Protection of Confidential Data

In accordance with all applicable federal, state, and local laws, regulations, ordinances, and directives relating to confidentiality, Contractor shall protect the security of and keep confidential all records, materials, documents, data, and/or other information received, obtained, and/or produced under the provisions of the Contract. The Contractor shall use whatever security measures are necessary to protect all such records, materials, documents, data and/or other information from loss, damage, and/or unauthorized dissemination by any cause including, but not limited to, fire and theft.

1.38 Business Associate Agreement

The Contractor shall recognize that products and services provided to the County are subject to the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and that the Contractor shall be a Business Associate of a covered entity. Accordingly, the Contractor shall be obligated and governed by the provisions specified in *Appendix L, Business Associate Agreement (HIPAA)*, in which the Contractor would be a Business Associate as defined in HIPAA and regulations issued there under.

2.0 PROPOSAL SUBMISSION REQUIREMENTS

This Section contains instructions to Proposers in how to prepare and submit their proposal.

2.1 County Responsibility

The County is not responsible for representations made by any of its officers or employees prior to the execution of the Agreement unless such understanding or representation is included in the Agreement.

2.2 Truth and Accuracy of Representations

False, misleading, incomplete, or deceptively unresponsive statements in connection with a proposal shall be sufficient cause for rejection of the proposal. The evaluation and determination in this area shall be at the County's Project Director's sole judgment and his/her judgment shall be final.

2.3 RFP Timetable

The Timetable For This RFP Is As Follows:

- Release of RFP May 1, 2009
- Written Questions Due by (12:00 p.m. noon Pacific) May 13, 2009
- Questions and Answers Released May 20, 2009
- Proposals due by (12:00 p.m. noon Pacific Time) May 29, 2009

2.4 Proposal Withdrawals

All proposals shall be firm offers and may not be withdrawn for a period of one hundred eighty (180) days following the last day to submit proposals.

2.5 Proposers' Questions

Proposers may submit written questions regarding this RFP by mail, fax or email to the individual identified below. All questions must be received by May 13, 2009 12:00 p.m. Noon Pacific Daylight Savings Time (PDT). All questions, without identifying the submitting company, will be compiled with the appropriate answers and issued as an addendum to the RFP. The addendum will be mailed to all Proposers that requested the RFP, in addition to being posted on the County of Los Angeles' web site. To ensure receipt of any addendums, Proposers should include correct mailing address, fax number or email address, whichever is appropriate. Questions should be addressed to:

Fernando Lemus
Los Angeles County Department of the Auditor-Controller
Audit Division
350 S. Figueroa St., 8th Floor
Los Angeles, CA 90071
Email: flemus@auditor.lacounty.gov
Fax: (213) 897-1561

2.6 Submission of Certification Form and Application for Exception from the County's Jury Service Program

The Proposer must complete and submit with their proposal the *Certification Form and Application for Exception from the Jury Service Program*, as set forth in *Appendix E - Required Forms, Exhibit 9*. If a Proposer believes that it does not fall within the Jury Service Program's definition of Contractor or that it meets either of the other exceptions stated in Subparagraph 1.34.2 of this RFP, then the Proposer must complete and submit with their proposal to the County, the *Certification Form and Application for Exception from the Jury Service Program*, as set forth in *Appendix E - Required Form, Exhibit 9*, including all necessary documentation to support the claim.

2.7 Proposal Submission

Until the proposal submission deadline, errors in the proposal document may be corrected by a request in writing to withdraw the proposal and by submission of another proposal document with the mistakes corrected. Corrections will not be accepted once the deadline for submission of proposals has passed.

Proposers shall submit the Business Proposal portion and Cost Proposal portion separately in sealed packages. The original and six (6) hardcopies of the proposals, and two (2) CDs in Microsoft Word 2003 or Adobe Acrobat 7 Portable Document Format (PDF) format shall be submitted. The sealed packages should be plainly marked in the upper left-hand corner with the name and address of the Proposer and bear the words:

**Business Proposal for Continuous Controls Monitoring Solution
RFP No. 000000**

This shall include responses to Proposal Specifications described in Sections 2.10.

The original cost proposal shall be submitted in a separate sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Proposer and bear the words:

**Cost Proposal for Continuous Controls Monitoring Solution
RFP No. 000000**

This shall include responses to Proposal Specifications described specifically in Section 2.12.

The Proposal(s) shall be delivered or mailed via U.S. mail to:

Fernando Lemus
Los Angeles County Department of the Auditor-Controller
Audit Division
350 S. Figueroa St., 8th Floor
Los Angeles, CA 90071

It is the sole responsibility of the submitting Proposer to ensure that its Proposal is received before the submission deadline. Submitting Proposers shall bear all risks associated with delays in delivery by any person or entity, including the U.S. Mail.

Any Proposals received after the scheduled closing time for receipt of Proposals, as listed in Sub-paragraph 2.3, will be returned to the sender unopened. Timely hand-delivered Proposals are acceptable. No facsimile (fax) or electronic mail (email) copies will be accepted.

2.8 Preparation of the Business Proposal

2.9.1 **General:** When responding, Proposers shall make sure that they have responded to all elements of the RFP. Inadequate, incomplete or otherwise non-responsive proposals, as determined in the County's sole judgment, may result in disqualification. All proposals and all documents submitted therewith shall be clearly written in the English language.

2.9.2 **Preparing to Respond:** The RFP should be read carefully, giving consideration to all the requirements. All documents required, such as reference documents and information on specified forms shall be provided. All instructions in this RFP which set forth the form in which responses should be presented shall be closely followed.

2.9.3 **Proposal Sufficiency:**

Every proposal should be sufficient to demonstrate that the Proposer can perform contracted obligations within the standards specified.

To facilitate the timely evaluation of proposals, a standard format for submission has been developed and is documented in this section. All Proposers are required to format their proposals consistently with the guidelines described below.

Vendors shall organize the requested information under the specific section titles as defined in this section.

2.9 Business Proposal Format Specifications

2.9.1 **Proposal Format:** The content and sequence of the proposal must be as follows:

- Transmittal Letter
- Table of Contents
- Executive Summary (Section A)
- Proposer's Experience and Qualifications (Section B)
- Proposer's Approach and Discussion of the Statement of Work (Section C)
- Proposer's Discussion of County's Functional and Technical Requirements (Section D)
- References (Section E)
- Financial Statements (Section F)
- Acceptance/Exception to Terms and Conditions in Sample Software License Agreement (Section G)
- Additional Data (Section H)
- Required Forms (Section I)

- Acceptance of Business Associate Agreement (HIPAA) (Section J)
- Last Page of Proposal

2.9.2 Transmittal Letter

The transmittal letter must be a maximum of one (1) page, transmitting the Proposal on the Proposer's stationery. The transmittal letter must include the Proposer's name, address, email address, telephone and facsimile numbers of the person or persons to be used for contact and who will be authorized to represent the Proposer. **The transmittal letter must bear the signature of the person authorized to sign on behalf of the Proposer and to bind the applicant in an Agreement.** The letter shall indicate whether or not the Proposer intends to perform the Agreement as a single Proposer. The letter must contain a statement that the Proposer will bear sole and complete responsibility for all work as defined in *Appendix B, Statement of Work*.

2.9.3 Table of Contents

The Table of Contents must be a comprehensive listing of material included in the Proposal. This section must include a clear definition of the material, identified by sequential page numbers and by section reference numbers.

2.9.4 Executive Summary (Section A)

The Executive Summary shall condense and highlight the contents of the Proposer's Business Proposal to provide the County with a broad understanding of the Proposer's approach, qualifications, experience, and staffing.

2.9.5 Experience (Section B)

This Section must demonstrate that the Proposer's organization has the experience and capability to provide the required software/hardware/services. The following information must be included:

- Section B.1 – Number of years Proposer's firm has been in business providing proposed software/hardware/services. Sufficient documentation should be provided that the Proposer meets or exceeds Minimum Mandatory Requirements in Section 1.5.
- Section B.2 – Name, address, and contact information of client firms currently running Proposer's proposed software/hardware/services.
- Section B.3 – Name and brief resume of Proposer's project manager and project team, years of related experience and number of engagements installing the proposed software/hardware/services.
- Section B.4 – Identify by name, case and court jurisdiction any pending litigation in which Proposer is involved, or judgments for or against Proposer. Provide a statement describing the size and scope of any pending or threatening litigation against the Proposer or principals of the Proposer.

Any other information relevant to the Proposer's capability to install, implement and support the proposed solution should be included in Section I, Additional Data.

2.9.6 Approach and Discussion of the Statement of Work (Section C)

This Section must present a description of the Proposer's approach to completing the tasks defined in *Appendix B, Statement of Work (SOW)*. If Proposer's approach differs from the proposed SOW, a detailed discussion must be provided stating the advantages of Proposer's approach over County's.

At a minimum, Proposer's approach shall describe the following:

- The Proposer's ability and plan to effectively and efficiently complete the tasks and deliverables in Appendix B, Statement of Work (SOW). Include a statement about the immediate availability of Proposer's team members, products, services, and all other required resources. Clearly identify all County resources (staffing, infrastructure, etc.) required.
- Delivery, implementation, and configuration of the products and services required for the continuous controls monitoring solution based on a recommended architecture that will provide the most efficient and secure operation of the products and services, without degrading performance or end-user ease of use. This includes meeting the County's security requirements. Include a description of the planned approach and recommended architecture, as well as the use of applicable industry best practices.
- Knowledge transfer and training County technical staff on the continuous controls monitoring solution use and administration. Include a description of the planned training, training materials, and proposal for on-site training.

2.9.7 Discussion of County's Functional and Technical Requirements (Section D)

This Section must contain a response for each and every one of the Functional and Technical Requirements listed in *Appendix C*. A concise but thorough narrative description of how the Proposer will meet each requirement is required in order to obtain the maximum points available, unless only a "Yes" or "No" response is specifically indicated. Providing pre-printed marketing brochures is not sufficient to satisfactorily complete this requirement.

Additionally, the Proposer must describe the following:

- Proposed continuous controls monitoring solution that meets the County's Functional and Technical Requirements. This narrative should be sufficiently clear, descriptive, encompassing, and detailed for the County to understand the proposed solution and provide the County the background and context to comprehend and appreciate the Proposer's responses to the County's Functional and Technical Requirements.

- In addition to addressing the County's Functional and Technical Requirements, the Proposer also may provide information on additional features not specified that the Proposer recommends the County should consider, but each must be clearly identified as a "**Recommended Option**".
- Any third-party products/services not included within the Proposal that is required for full system functionality and/or manageability. Each third-party product/service must be clearly identified as a "**Third-Party Product**".
- Provide a technical architecture diagram of the proposed solution, including all required and recommended/optional components, depicting the location of each component in the network, and showing any and all dependencies on required 3rd-party and/or customer-provided components. The diagram must be clearly identified as "**Technical Architecture Diagram**".

2.9.8 References (Section E)

Proposer must list three (3) and only three (3) verifiable client references that will individually or collectively validate the Proposer's ability to successfully provide the proposed continuous controls monitoring solution.

Proposer shall provide the following information concerning each client reference:

- Reference Company Name, Contact Name, Title, Telephone Number, and Email Address.
- Number of employees and gross annual revenue for Fiscal Year (FY) 2007.
- Products installed, the number of licenses, services used and in use, the dollar value, the degree of product configuration, and number of years that each product/service has been installed by the client and has been used by the client.

Proposer shall also provide a list of their certified configuration, installation and training vendors that includes Company Name, Contact Name, Title, Email Address, and the Number of Installations within the last three (3) years.

2.9.9 Financial Statements (Section F)

Provide copies of the company's most current financial statements and annual reports. Statements should include the company's assets, liabilities and net worth. At a minimum, include the Balance Sheet (Statement of Financial Positions), Income Statement (Statement of Operations), and the Retained Earnings Statement. If audited statements are available, these should be submitted to meet this requirement. Do not submit Income Tax Returns to meet this requirement. Financial statements will be kept confidential if so stamped on each page.

2.9.10 Acceptance/Exception to Terms and Conditions of the Sample Software License Agreement (Section G)

This Section must include a statement offering the Proposer's acceptance of all terms and conditions listed in *Appendix A, Sample Software License*

Agreement. A duty of every Proposer is to review the Sample License Agreement. Any and all exceptions to this sample Software License Agreement must be set forth in detail in this section, together with reasons (business and/or legal), proposed alternative language, and impact, if any, to the Proposer's price. The County relies on this procedure and any Proposer who fails to make timely exceptions as required herein at the County's sole discretion may be barred from later making such exceptions.

2.9.11 Additional Data (Section H)

This Section will include information not specifically requested for evaluation, but which the Proposer wishes to submit to supplement the Proposal.

2.9.12 Required Forms (Section I)

This Section shall contain the following forms, signed/dated where applicable. All forms are provided in Appendix E.

Exhibit 1 Certification of Independent Price Determination

Proposer must certify that prices quoted have been arrived at independently without consultation, communication, or agreement with any other proposer or competitor for the purpose of restricting competition.

Exhibit 2 Certification of No Conflict of Interest

Proposer must certify that no employee who prepared or participated in the preparation of this Proposal is within the purview of County Code Section 2.180.010.

Exhibit 3 Child Support Compliance Program Certification

Proposer is certifying that they will comply with the Child Support Compliance Program. The original form is to be completed and submitted with the Proposal. A copy is to be sent or faxed to the Child Support Services Department as stated on the form.

Exhibit 4 Familiarity with the County Lobbyist Ordinance Certification

Proposer must certify that they are familiar with the requirements of the County Lobbyist Ordinance and that all persons acting on behalf of the Proposer have and will comply with the ordinance during the RFP process.

Exhibit 5 Los Angeles County Community Business Enterprise (CBE) Program – Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form.

Proposer to complete and submit with Proposal.

Note: Proposer must already be certified as a Local SBE prior to proposal submission to be eligible to request the proposal be considered for the Local SBE Preference.

- Exhibit 6 Principal Owner Information Form (POI)*
Proposer to complete and submit form directly to the Los Angeles County Child Support Services Department (CSSD) at the time of proposal submission to (the soliciting County Department).
- Exhibit 7 Proposer's EEO Certification*
Proposer must comply with EEO laws, regulations and policies.
- Exhibit 8 Attestation of Willingness to Consider GAIN/GROW Participants*
Proposer to complete and submit with Proposal.
- Exhibit 9 Certification Form and Application for Exception from County's Jury Service Program*
Proposer to complete and submit with Proposal. If Proposer is requesting an exception to this program, submit all necessary documents to support the request.
- Exhibit 10 Prospective Contractor References*
Proposer to complete and submit with Proposal.
- Exhibit 11 Prospective Contractor List of Contracts With All Public Entities Within Last Three (3) Years*
Proposer to complete and submit with Proposal.

2.9.13 Acceptance of Business Associate Agreement (HIPAA) (Section J)

This Section must include a statement offering the Proposer's acceptance of all terms and conditions listed in *Appendix L, Business Associate Agreement (HIPAA)*. A duty of every Proposer is to review the Business Associate Agreement (HIPAA).

2.9.14 Last Page of Proposal

The last page of the proposal must list names of all joint ventures, partners, subcontractors or others having any right or interest in the Agreement or the proceeds thereof. The page must include the signature of the person authorized to bind the Proposer in an Agreement, as follows:

Respectfully submitted,

(Proposer's Name and Address and names and addresses of joint ventures, partners, subcontractors or other parties)

By _____

By _____

Date _____

Address _____

City _____

Telephone _____

Email _____

Proposer shall include with proposal adequate documentation showing that authorization was granted (e.g., copy of corporate resolution granting authorization) or multiple signatures.

2.10 Preparation of the Cost Proposals

- 2.10.1 **Bidding Realistically**: Price Proposals shall be realistic and not capable of being construed as unrealistically low when compared to the requested software/hardware/services.

2.11 Cost Proposal Format Specifications

- 2.11.1 **Proposer's Pricing**: This section must contain detailed prices for each proposed product or service. Include all Contractor costs necessary to install, customize, secure, and maintain/support the proposed products and services as specified in this RFP, even if items necessary for a successful completion were not specified by County. Refer to *Appendix D, Cost Proposal*. **AT NO TIME WILL THE COUNTY BE LIABLE FOR ANY COSTS INCURRED BY ANY PROPOSER(S) IN PREPARATION OF OR SUBMISSION OF RESPONSES TO THIS RFP OR ANY OTHER COSTS INCURRED BY ANY PROPOSER(S) PRIOR TO THE EXECUTION OF THE AGREEMENT BY THE COUNTY AND THE SELECTED CONTRACTOR.** The Cost Proposal should contain separate costs for, but not limited to:

Hardware and Software: List and describe all proposed hardware and software tools and licensing. The County seeks a perpetual, fully paid, non-restricted, non-exclusive enterprise license, for the proposed solution's software. Proposers should identify the recommended licensing model and its ability to cost-effectively meet the County's need for use and administration. Also, provide responses to all the licensing questions posed in this solicitation, including Appendix D.

Maintenance and Technical Support: The Proposer must provide software/hardware maintenance that includes critical/security patches, software/firmware updates, and new releases. The County shall not be required to submit/return any component that may contain County data, including, but not limited to, hard drives. County, in its sole discretion, shall determine whether a component contains County data and whether a component shall be returned. Any costs for travel and per diem expenses must be included in the cost for maintenance and support. County will not pay costs for travel and per diem expenses outside of those costs included in the cost for maintenance and support.

Professional Services and Training: Professional services must be fixed-cost, deliverable-based. All costs must be fully burdened, including any travel and per diem expenses. For training, the Proposer must provide costs for on-site training.

Proposer must respond using the County's Cost Proposal Response Forms, Appendix D. The Proposer must also submit its current Published Government Price List.

3.0 SELECTION PROCESS AND EVALUATION CRITERIA

3.1 Selection Process

The County reserves the sole right to judge the contents of the proposals submitted pursuant to this RFP and to review, evaluate and select the successful proposal. The County may elect to waive any informality in proposals, if the sum and substance of the proposal is present. The selection process will begin with receipt of the proposal no later than 12:00 p.m. noon (PDT) on **May 29, 2009**.

As part of the selection process, the County shall, in its sole discretion, require Contractor to conduct a formal presentation and demonstration of their proposed continuous controls monitoring solution and software/hardware/services at County's facilities in Los Angeles County. Demonstrations will be used to assess the extent to which Contractor's solution conforms to the business needs of the County. Demonstrations will also be used to validate and finalize evaluation scoring.

An Evaluation Committee selected by the County will evaluate the proposals and will use the evaluation approach described herein to select a prospective Contractor. If a proposal fails, it will not be evaluated and will be rejected. After a prospective Contractor has been selected, the County and the prospective Contractor(s) will negotiate an Agreement. If a satisfactory Agreement cannot be negotiated, the County may, at its sole discretion, begin Agreement negotiations with the next qualified Proposer who submitted a proposal, as determined by the County.

The County retains the right to select a Proposal other than the Proposal receiving the highest number of points if County determines, in its sole discretion, another Proposal is the most overall qualified, cost-effective, responsive, responsible and in the best interests of the County. Additionally, the County reserves the right to award the Agreement in whole or in part and/or negotiate any or all items with individual or multiple Proposers if it is deemed to be in the County's best interest.

3.2 Adherence to Minimum Requirements (Pass/Fail)

A proposal must adhere to the minimum requirements outlined in Sub-paragraph 1.5, Minimum Mandatory Requirements. Failure of the Proposer to meet the minimum requirements shall eliminate its proposal from any further consideration.

3.3 Adherence to Format (Pass/Fail)

A proposal must adhere to the specific format outlined in Section 2, Proposal Submission Requirements of this RFP. Each section must be specifically labeled and in the same order as given in Section 2. Failure of the Proposer to adhere to this format may eliminate its proposal from any further consideration. The County may elect to waive any informality in a proposal if the sum and substance of the proposal is present.

3.4 Business Proposal Evaluation and Criteria

All responsive and responsible proposers meeting the Minimum Mandatory Requirements will have their proposals evaluated based on the criteria listed below. Proposals will receive a composite score and be ranked in numerical sequence from

high to low. The Evaluation Committee may utilize the services of appropriate experts to assist in this evaluation.

The County's process, as it pertains to this RFP, for evaluating proposers and their proposals is as follows:

1. County will evaluate proposers on a pass/fail according the Minimum Mandatory Requirements as stated in Section 1.5 of this RFP.
2. County will evaluate proposals on a pass/fail as to the proposals responsiveness to the requirements set forth in this RFP.
3. County shall evaluate proposers as to their responsibility on a pass/fail basis.
4. If a proposer and their respective proposal pass items 1 through 3 above, then County shall evaluate and score the proposal.

The scoring areas are depicted in the table below.

| <u>Evaluation Area</u> | <u>Scoring Percentage</u> |
|---------------------------------------|----------------------------------|
| Experience | 10% |
| Statement of Work Approach | 10% |
| Functional and Technical Requirements | 40% |
| Cost | 40% |
| Total | 100% |
| Less: Deductions | |

3.4.1 Experience (10%)

The Proposer's capability and experience in designing, customizing, and implementing a continuous controls monitoring solution of similar type, size, and scope to the County will be evaluated based on the number of customers using the proposed solution, number of years experience in this field, and the overall strength of the Proposer's proposed Project Manager and Project Team's experience in implementing and managing similar projects. Additionally, the strength of the mandatory references will be considered. Proposers shall submit five (5) and only five (5) references as stated in this RFP, Section 2.10.8. Each reference will be emailed or called, and asked about the Proposer's performance in providing a continuous controls monitoring solution, support, and professional services. Proposers should alert the reference clients that the County will be contacting them either by email or phone.

3.4.2 Approach and Discussion of the Statement of Work (10%)

The Proposer's approach and plan to complete the tasks and deliverables in Appendix B, Statement of Work (SOW), will be evaluated based on the clarity of the discussion and the approach taken, as it benefits the County. If the Proposer offers an alternative approach to meeting the requirements of the SOW provided in this RFP, they must clearly document the benefits to the County.

3.4.3 Functional and Technical Requirements Discussion (40%)

Proposers should address each requirement Stated in Appendix C, Functional and Technical Requirements, in clear, concise and thorough statements as to how each requirement will be met, unless only a "Yes" or "No" response is specifically indicated.

3.4.4 Cost Proposal Evaluation Criteria (40%)

The highest score will be awarded to the lowest cost proposals. All other proposals will be compared to the lowest cost and scored accordingly.

Evaluation of Proposer's cost proposals will depend on the Proposer completely following and completing the cost proposal model and forms (Cost Proposal Response Forms, Appendix D), including providing comprehensive, detailed, and clear responses to directions and questions specified on the forms. Proposers are advised not to "group" software/hardware/services components into a generalized category, but to develop and show individual components including the Proposers' part numbers.

3.5 Total Possible Proposal Evaluation Score (100%)

Should one or more of the Proposers request and be granted the Local SBE Preference, the cost component score will be determined as follows: Five percent (5%) of the lowest cost proposed will be calculated, which shall not exceed \$50,000, and that amount will be deducted from the Cost submitted by all Local SBE Proposers who requested and were granted the Local SBE Preference.

The top-ranked Proposer(s) will be elevated to a final selection process consisting of product demonstrations within two (2) weeks of notification. The County's Project Director will select the Departments that will participate in the thirty (30) day proof-of-concept testing to verify that the top-ranked Proposer's solution meets or exceeds the County's Functional and Technical Requirements (Appendix C). If the County, at its sole discretion, determines that the top-ranked Proposer's(s') solution does not satisfy its requirements, the County may immediately move on to the next highest-ranked Proposer(s) for product demonstration. This process may continue until a satisfactory Contractor is identified or the County decides to terminate this solicitation.

The County shall schedule with the most highly ranked Proposer(s) oral presentation(s) and/or demonstration(s). Oral presentations and demonstrations are mandatory. These presentations/demonstrations shall be made to the evaluation staff and executive staff responsible for awarding an Agreement and would go into detail on each requirement in this RFP. These presentations/demonstrations will also allow for clarification of Proposer's proposals, and to permit questions from the County.

The most highly rated Proposers' asked to conduct a product demonstration will be evaluated. The results of that evaluation will be added to the score of their proposal and become the measure whereby the recommended contractor can be identified. Nomination of the highest rated Proposer may be invited to enter into Agreement negotiation with the County. If the County, in its sole discretion, determines that the highest rated Proposer and the County cannot enter into an agreement, the County may immediately move on to the next highest-rated Proposer. This process may continue until a satisfactory Contractor is identified or the County decides to terminate this solicitation. The County reserves the right to award the Agreement in whole or in part and/or negotiate any or all items with individual or multiple Proposers if it is deemed to be in the County's best interest.

3.6 Exceptions to County’s Terms and Conditions (Deduction)

Proposer will be evaluated on their willingness to accept the Terms and Conditions outlined in *Appendix A, Sample Software License Agreement* and/or the Requirements of the Statement of Work outlined in *Appendix B, Statement of Work* as stated in Section E of the proposal. The County may deduct rating points or disqualify the proposal in its entirety if the exceptions are material enough to deem the proposal non-responsive. The scoring criteria for deductions are described in the table below.

| Scoring Criteria | Definition | Value |
|------------------------------|---|------------------------------|
| Disqualification Recommended | Exceptions were severely excessive and problematic to the completion of Work and completely unacceptable. | Disqualified |
| Unacceptable | Exceptions were excessive, detrimental to the completion of Work and unacceptable. | x% or x points deduction |
| Acceptable | Exceptions were minimal in scope and acceptable | ½*x% or ½*x points deduction |
| Minor or Not Taken | Exceptions were either inconsequential and acceptable overall or not submitted | 0 points |

Proposers are further notified that the County may, in its sole determination, disqualify any Proposer with whom the County cannot satisfactorily negotiate a Contract.

This Software License Agreement (hereinafter "Agreement") is entered as of the Effective Date by and between the County of Los Angeles, a political subdivision of the State of California (hereinafter "County") and _____, Inc., a _____ Corporation (hereinafter "Contractor")(hereinafter collectively the "Parties").

1.0 RECITALS

WHEREAS, the County, by and through its Internal Service Department, is authorized by, *inter alia*, California *Government Code* section 25501 to procure personal property, including software;

WHEREAS, Contractor is in the business of licensing and supporting, through product updates and releases, its software; and

NOW THEREFORE, in consideration of the mutual covenants set forth herein, County and Contractor agree as follows:

2.0 APPLICABLE DOCUMENTS

2.1 The provisions of this base document, along with the Exhibits itemized in Section 2.2, collectively form, and are throughout and hereinafter referred to as, the "Agreement."

2.2 Notwithstanding language to the contrary, whether expressly or by implication, any conflict or inconsistency in the definition or interpretation of any word, responsibility, Exhibit, or the contents or description of any task, deliverable, service or other work, or otherwise, between and/or among this base document, the Exhibits thereto, and/or the purchase order(s) hereunder, such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits thereto according to the following descending priority:

Exhibit A Additional Terms & Conditions - Administration

Exhibit B Additional Terms & Conditions - Social Programs

Exhibit C Software Product List and Pricing Schedule

Exhibit D Software Acceptance Statement

Exhibit E Participating Entities

Exhibit F Contractor Employee Acknowledgement and Confidentiality Agreement

Exhibit G Contractor's EEO Certification

Exhibit H Jury Service Program

Exhibit I Safely Surrendered Baby Law

Exhibit J Health Insurance Portability and Accountability Act of 1996 (HIPAA)

Thereafter, any purchase order(s) issued pursuant to this Agreement.

2.3 This Agreement constitutes the complete and exclusive agreement between the Parties, and supersedes any previous and contemporaneous agreements, whether written or oral, and any and all communications and negotiations between the Parties relating to the subject matter of this Agreement. Without limiting the foregoing, nothing in this Agreement shall be interpreted based upon any prior discussions and negotiations, or upon any additions or deletions made as a result thereof.

3.0 DEFINITIONS

The terms and phrases in this Section 3.0 in quotes and with initial letter(s) capitalized, whether singular or plural, shall have the particular meanings set forth whenever such terms are used in this Agreement.

3.1 Acceptance; Accept(ed)

“Acceptance” and “Accepted” has the meaning set forth in Section 8.0 (Software Acceptance).

3.2 Additional Product(s)

“Additional Product” or “Additional Products,” whether singular or plural, has the meaning set forth in Section 5.2.5, Option to License Additional Software Products.

3.3 Business Day(s)

“Business Day” or “Business Days,” whether singular or plural, means any day or days of eight (8) working hours during a single day from 8:00 a.m. to 5:00 p.m. Pacific Time (PT), Monday through Friday, excluding County observed holidays.

3.4 Day(s)

“Day” or “Days,” whether singular or plural, means calendar days (not Business Days).

3.5 Deficiency(ies)

“Deficiency” or “Deficiencies,” whether singular or plural, means any of the following: any material defect in design, development, materials, and/or workmanship; error(s); material deviation(s) from published and/or mutually agreed upon standards; and/or deviation(s) from any of the requirement(s) or any substantial nonconformance with Related Documentation or Software Specifications or Software Product List and Pricing Schedule (Exhibit C) under this Agreement.

3.6 Deliverable(s)

“Deliverable” or “Deliverables,” whether singular or plural, means any Software License, Services, and/or other consideration of any kind to be provided by Contractor to County under this Agreement, including those items identified in Exhibit C (Software Product List and Pricing Schedule).

3.7 Department(s)

"Department" or "Departments," whether singular or plural, means any applicable department of the County of Los Angeles.

3.8 Effective Date

"Effective Date" means the date of execution of this Agreement by County.

3.9 Extended Term(s)

"Extended Term" or "Extension Terms," whether singular or plural, shall refer to any optional and additional term(s) which may be exercised at the end of the "Initial Term."

3.10 Initial Term

"Initial Term" means the first five years of this Agreement, commencing on the Effective Date and expiring five (5) years thereafter, unless terminated earlier.

3.11 Installation

"Installation" means on-site and remote software installation Services provided by Contractor.

3.12 License(s); Software License(s)

"License" and "Software License," whether singular or plural, means the provisions of this base document, along with the Exhibits itemized in Section 2.2, collectively, as further defined under section 5.1 (License Grant)...

3.13 Licensed Product(s)

"Licensed Product", whether singular or plural, has the meaning set forth in Section 5.2.3 (Replacement Products).

3.14 Maintenance

"Maintenance" has the meaning set forth in Section 6.0 (Maintenance and Support).

3.15 Participating Entity

"Participating Entity," whether singular or plural, means the non-department entities that are governed by the County's Board of Supervisors, and are listed on Exhibit E (Participating Entities).

3.16 Pricing Schedule(s)

"Pricing Schedule" means the schedule of discounted prices for Software and Services provided by Contractor to County under this Agreement at Exhibit C (Software Product List and Pricing Schedule).

3.17 Purchase Order

"Purchase Order" means a funding encumbrance document that shall be issued by County to order Deliverables under this Agreement.

3.18 Related Documentation

"Related Documentation" means any and all written and electronic publications relating to the Software, such as reference, user, installation, systems administrator and technical guides, delivered, or otherwise made available, by Contractor to County as part of its documentation.

3.19 Replacement Product(s)

"Replacement Product," whether singular or plural, has the meaning set forth in Section 5.2.3 (Replacement Products).

3.20 Schedule Date

"Schedule Date" means the date of execution by County and Contractor of a Purchase Order referencing this Agreement.

3.21 Services or Support

"Services" or "Support" mean any Software Maintenance, Installation and Training services provided by Contractor to County under this Agreement. Services or Maintenance shall not include consulting, professional or assisted services.

3.22 Software

"Software" means any or all, or any portion, of the binary computer software programs provided by Contractor to County, under this Agreement, including all Updates, Additional Products, Replacement Products and Third Party Software, listed on the Software Product List and the applicable Purchase Order(s) as being licensed by Contractor to County under this Agreement.

3.23 Source Code

"Source Code" means the source code for the Software including all new releases, updates, modifications, enhancements, corrections, patches and improvements, and all Related Documentation and other proprietary information related to such source code.

3.24 Specifications

"Specifications" means the functional and technical specifications for the Software licensed hereunder, as set forth in the Exhibit C (Software Product List and Pricing Schedule).

3.25 State

"State" means the State of California.

3.26 Third Party Software

“Third Party Software” means that portion of the Software, including object code and Related Documentation, sublicensed by Contractor to County under this Agreement.

3.27 Update(s)

“Update(s)” means any and all subsequent releases of the Software, including updates, upgrades, enhancements, modifications, improvements, corrections, bug fixes, patches, releases, and versions.

3.28 Warranty Period

"Warranty Period" has the meaning set forth in Section 9.1 (Software Warranty).

4.0 TERM

The term of this Agreement shall commence on the Effective Date and shall expire three (3) years thereafter (hereinafter “Initial Term”), unless sooner terminated or extended, in whole or in part, as provided in this Agreement. At the end of the Initial Term, County may, at its sole option, renew this Agreement for additional two (2) consecutive one-year terms and six (6) month to month extensions, for a maximum total Agreement term of five (5) years and six (6) months. (hereinafter “Extended Term(s)”) by giving a thirty-day written notice to Contractor, provided that if this Agreement is not so extended, the remaining option(s) shall automatically lapse. Contractor shall notify County when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to County at the address herein provided at Exhibit A, Additional Terms & Conditions – Administration, Section 38.0..

Notwithstanding the foregoing or any other provision of this Agreement, the term of the License provided under this Agreement shall continue in perpetuity, as provided in Section 5.2.1 (License Term).

5.0 SOFTWARE LICENSE

5.1 License Grant

Contractor grants to County a non-exclusive, non-transferable, perpetual license (hereinafter “License(s)” or “Software License(s)”) to use the Software.

5.2 License

5.2.1 License Term

The License granted under this Agreement for all Licensed Products shall commence on the Effective Date (and the applicable Schedule Date for each Additional Product and each Replacement Product, as the case may be) and shall continue in perpetuity and without regard to the end of the term of this Agreement.

5.2.2 Scope of License

This Software License shall include Support in accordance with the Support Guide, Software Updates and all material, documentation and technical information provided to County pursuant to this Agreement, as described in Section 6.0 (Maintenance and Support).

The Software License granted by Contractor to County hereunder provides County with the following rights:

- (i) To use the Software, including without limitation the Third Party Software, Additional Products, and Replacement Products, for County's business purposes;
- (ii) To build the Software applications using Contractor's application building tools licensed under this Agreement;
- (iii) To copy the Software for distribution within County, as permitted under the License, and for backup and archival purposes; and
- (iv) To use, modify, and distribute within County the Related Documentation, including but not limited to software and user manuals, in a hard copy format and, when available, electronically or on read only CD-ROM.

5.2.3 Replacement Products

“Licensed Product(s)” are Contractor's Software products which are licensed by County pursuant to this Agreement. If Contractor, within four years from the last Purchase Order date for a Licensed Product, generally or commercially releases a product (hereinafter “Replacement Product(s)”) with the same or substantially similar functionality as that of the Licensed Product licensed by County pursuant to such Purchase Order, and Contractor concurrently or within one (1) year from such release date discontinues the support of the most recent generally released version of such Licensed Product, then County shall receive a credit for the full value of the License fees paid by County for such Licensed Product toward the purchase of the Replacement Product, provided that County is a subscriber to the Maintenance and Support Services for the Licensed Product. Replacement Product shall be treated as Software for the purpose of this Agreement.

The License granted to County for the Replacement Product shall be: (1) pursuant to the terms and conditions of this Agreement, (2) granted without the payment of additional fees; and (3) County's Maintenance and Support fees for the Replacement Product shall remain the same as for the Licensed Product for the remainder of the support term.

- 5.2.4 In the event Contractor revises its Software product line and/or Services, upon County's election, the Pricing Schedule shall be updated by Change Notice in accordance with Section 19.0 (Change Notices and Amendments), to reflect the changes to Contractor's Software product line and/or Services.

5.2.5 Option to License Additional Software Products

Contractor grants County the option to license additional Software products (hereinafter “Additional Products”), which are generally available on the date the option is exercised, at the prices set forth in Exhibit C (Software Product List and Pricing and Payment Schedule). County may exercise the option, by (1) executing and delivering to Contractor a mutually acceptable Purchase Order(s) to this Agreement for such Additional Products, and (2) paying the applicable License and Support fees due. Upon County’s execution of the Purchase Order (s) for such Additional Products, such Additional Products shall be deemed Software for the purpose of this Agreement. The warranty related to Additional Products shall take effect upon Acceptance of such Additional Products by County and shall be subject to all terms and conditions of this Agreement.

5.2.6 License Restrictions

No license, right or interest in any trademark, trade name or service mark of Contractor or any third party from whom Contractor has acquired License rights is granted under this Agreement.

The Software and/or Related Documentation developed pursuant to any Licenses and rights granted hereunder may not be sold, licensed or sublicensed, assigned or otherwise transferred, in whole or in part, by County.

County will not reverse-engineer, disassemble, decompile or decode the Software.

5.3 Source Code Escrow

5.3.1 Source Code Escrow Agreement

During the term of this Agreement, Contractor shall, at its own cost, maintain in escrow (hereinafter “Escrow”) its Source Code (and any other materials) provided by Contractor under this Agreement (hereinafter “Deposit”). Contractor currently has an escrow agreement (hereinafter “Escrow Agreement”) with _____ (hereinafter “__” or “Escrow Agent”). Contractor shall, during the term of this Agreement, maintain the Escrow Agreement with __ or enter into and maintain another Escrow Agreement. Contractor shall name County a beneficiary to the Escrow Agreement by executing the requisite documentation. County shall remain a beneficiary under the Escrow Agreement provided that (1) County remains a compliant subscriber to the Maintenance and Support Services and (2) this Agreement is not terminated. Upon release of the Deposit from Escrow in accordance with Section 5.3.2, Possession and Use of Source Code below, County will (1) use the Deposit only as necessary to support and maintain the Software so it can be used pursuant to the terms of this Agreement, (2) maintain the Deposit in accordance with the confidentiality provisions hereunder, and (3) be subject to all the restrictions contained in this Agreement applicable to the Deposit as if the Deposit were Software. Contractor shall maintain in Escrow the most recent versions of the deposit. Contractor may change the escrow agent at any time upon notice to County.

5.3.2 Possession and Use of Source Code

In addition to the release conditions identified in the Escrow Agreement, Contractor shall direct the Escrow Agent thereunder to deliver to County the Source Code for the applicable Software in the event Contractor (i) filing a petition for liquidation via bankruptcy or an assignment for the benefit of creditors; (ii) ceasing normal business operations; or (iii) failing to provide Maintenance and Support for the Software for a fifteen (15) day period after receipt of written notice by Contractor from County, while County is a compliant subscriber of Contractor's Maintenance and Support Services. Source Code obtained by County under the provisions of this Agreement, and/or the Escrow Agreement, shall remain subject to every License restriction, proprietary rights protection and other County obligations specified in this Agreement, provided, however, County may make such Source Code available to third parties as needed to assist it in making authorized use of the Software.

6.0 MAINTENANCE AND SUPPORT

Contractor shall provide to County Updates (hereinafter "Maintenance") and technical support (hereinafter "Support") in accordance with the terms of this Agreement. If elected by County, Maintenance and Support Services shall be renewed annually for the Software products supported by Contractor in accordance with the applicable Purchase Order(s). County may cancel Maintenance and Support at anytime by giving Contractor not less than thirty (30) days written notice. Upon termination of this Agreement as provided herein, any prepaid Maintenance and Support Services fees shall be refunded to County by Contractor on a pro rata basis as of the date of termination or the date giving rise to the cause for termination, as applicable.

7.0 CONTRACT PRICES AND FEES

7.1 License Fees

Contractor shall provide to County Software at the prices listed in Exhibit C (Software Product List and Pricing Schedule)

7.2 Maintenance and Support Services

Contractor shall provide to County, Maintenance and Support Services for Software in accordance with the prices, terms and conditions set forth in this Agreement and the applicable Purchase Order(s).

8.0 SOFTWARE ACCEPTANCE

County will evaluate all Software acquired by County under this Agreement, including Additional Products and Replacement Products, in accordance with the requirements set forth in the Specifications (cumulatively "Acceptance Criteria"). Upon Software compliance with the Acceptance Criteria, County will "Accept" the Software by executing and delivering to Contractor the Software Acceptance Statement set forth in Exhibit D within five (5) Business Days after complete and successful delivery of Software by Contractor to County. A separate Software Acceptance Statement (Exhibit (D)) shall be executed and delivered to Contractor for each Purchase Order for Additional Products and Replacement Products licensed by County under this Agreement. Notwithstanding anything to the contrary contained herein, this Section 8.0 shall not apply to any Software, Additional Products or Replacement Products previously Accepted by County under this Agreement.

9.0 WARRANTY

9.1 Software Warranty

Contractor represents and warrants that the Software shall perform in accordance with the Related Documentation and without Deficiencies for a period of ninety (90) days following Acceptance of the Software, including any updates (hereinafter "Warranty Period"). If, during the Warranty Period, County finds that any Software product has Deficiencies, County shall notify Contractor in writing and follow Contractor's instructions regarding the return of such Software product. County's remedy for the Deficiency shall be, at Contractor's option, for Contractor to (i) repair or replacement of the Software product which does not comply with this Limited Warranty, as soon as possible and no later than 30 after receipt of written notification or (ii) refund all Software-related fees paid by County for the Defective Software products, including License, Installation, Maintenance and Support (if any). Notwithstanding the foregoing, County retains the right to use the products in the event of Contractor's material breach, while seeking interim suppliers or during litigation or alternative dispute resolution process or proceedings.

9.2 Further Warranties

Contractor further represents and warrants that:

- 9.2.1 Any Services under this Agreement will be performed in the highest professional manner;
- 9.2.2 All Related Documentation delivered under this Agreement shall be in accordance with generally-accepted industry standards;

9.2.3 The Software shall not cause any unplanned interruption of the operations of, or accessibility to the Software or any County system through any device, method or means including, without limitation, the use of any “virus,” “lockup,” “time bomb,” or “key lock,” “worm,” device or program, or disabling code, which has the potential or capability of compromising the security of County’s confidential or proprietary information or of causing any unplanned interruption of the operations of, or accessibility of the Software or any Software product to County or any user or which could alter, destroy, or inhibit the use of the Software or any Software product, or the data contained therein (collectively referred to as a “Disabling Device”), which could block access to or prevent the use of the Software or any Software product by County or users; and

9.2.4 The Software does not contain, and is not effected by, any Disabling Device.

10.0 WARRANTY PASS-THROUGH

Contractor shall pass through to County to the fullest extent possible all rights and remedies, including any applicable warranty or indemnity, from or offered by any manufacturer of any Third Party Software product provided under this Agreement.

11.0 INTELLECTUAL PROPERTY WARRANTY & INDEMNIFICATION

11.1 Contractor represents and warrants that:

(a) Contractor has the full power and authority to grant the License and all other rights granted by this Agreement to County;

(b) No consent of any other person or entity is required by Contractor to grant such rights other than consents that have been obtained and are in effect;

(c) County is entitled to use the Software without interruption of system use;

(d) This Agreement and the Software licensed or acquired herein, are not subject to any liens, encumbrances, or pledges, and are not subordinate to any right or claim of any third party, including Contractor’s creditors;

(e) During the term of this Agreement, Contractor shall not, and shall not allow any third party to, subordinate this Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County’s use of the Software (or any part thereof) in accordance with this Agreement; and

(f) Neither the performance of this Agreement by Contractor, nor the License to, and use by, County and its users of the Software in accordance with this Agreement, will in any way violate any non-disclosure Agreement, nor constitute any infringement or other violation of any copyright, trade secret, trademark, service mark, patent, invention, proprietary information, or other rights of any third party.

- 11.2 Notwithstanding any provision to the contrary, whether expressly or by implication, Contractor shall indemnify, defend, and hold harmless the County from and against any and liability, including but not limited to damages, costs, and expenses (including attorneys fees) arising from any alleged or actual infringement of any third party's patent or copyright, or any alleged or actual unauthorized trade secret disclosure, arising from or related to this Agreement and/or the operation and use of the Software. Any legal defense pursuant to Contractor's indemnification obligations under this Section 11.0 shall be conducted by Contractor and performed by counsel selected by Contractor. County shall provide Contractor with information, reasonable assistance, and authority to defend or settle the claim. Notwithstanding the foregoing, County shall have the right to participate in any such defense at its sole cost and expense.
- 11.3 County shall notify Contractor, in writing, as soon as reasonably practicable of any claim or action alleging such infringement or unauthorized disclosure. Upon such notice by County, Contractor shall, in its reasonable judgment, and at its sole option and at no cost to County, as remedial measures, either (i) procure the right, by license or otherwise, for County to continue to use the Software or any infringing component thereof to the same extent of County's License under this Agreement, or (ii) to the extent procuring such right to use the Software is not commercially practicable, replace or modify the Software or any infringing component thereof with another system or component in such a way that the resulting system and each and every one of its components shall have the quality and performance capabilities, at a minimum, equivalent to the quality and performance capabilities of the Software and all of the component thereof, until it is determined by County that the Software with all of its component has become non-infringing, non-misappropriating, and non-disclosing.

[Section numbers 12.0 - 13.0 are reserved.]

-END OF BASE DOCUMENT-

IN WITNESS WHERE OF, the parties enter into this Agreement as the Effective Date.

Vendor Name

COUNTY OF LOS ANGELES

By: _____
(Authorized Signature)

By: _____
(Authorized Signature)

Name: _____
(Please Print)

Name: _____
(Please Print)

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A
(ADDITIONAL TERMS & CONDITIONS - ADMINISTRATION)

14.0 DELIVERY AND RISK OF LOSS

Contractor shall bear the full risk of loss due to total or partial destruction of the Software products loaded on CDs or other computer media, until such items are delivered to and accepted in writing by County as evidenced by County's signature on delivery documents.

15.0 INDEMNIFICATION

Notwithstanding any provision of this Agreement to the contrary, whether expressly or by implication, Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, employees, and agents, from and against any and all liability, including but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions.

16.0 INSURANCE

16.1 Insurance Programs

Without limiting Contractor's indemnification of County and during the term of this Agreement, Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Section 16.0. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, where liability arises out of, or results from, the acts, omissions, negligence or willful misconduct of Contractor or its subcontractors, and such coverage shall be provided and maintained at Contractor's own expense.

16.2 Insurance Coverage Requirements

16.2.1 General Liability Insurance (written on ISO policy from CG 00 01 or its equivalent) with limits of not less than the following:

| | |
|---|-------------|
| General Aggregate | \$2 million |
| Products/Completed Operations Aggregate | \$1 million |
| Personal and Advertising Injury | \$1 million |
| Each Occurrence | \$1 million |

16.2.2 Automobile Liability Insurance with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all owned, hired, and "non-owned" vehicles, or coverage for "any auto."

16.2.3 Workers' Compensation and Employers' Liability Insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. In all cases, the above insurance shall also include Employers' Liability coverage with limits of not less than the following:

| | |
|-------------------------|-------------|
| Each Accident | \$1 million |
| Disease - Policy Limit | \$1 million |
| Disease - Each Employee | \$1 million |

16.2.4 Professional Liability (Errors and Omissions): Insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate.

16.2.5 Intellectual property: insurance covering any actual or alleged infringement of any copyright, patent or other rights of third party, and any actual or alleged trade secret disclosure or misappropriation. Insurance coverage limit will be at least \$1 million per occurrence. If this insurance is written on a claims made form, Contractor shall: (a) maintain such insurance through the period ending two years following the expiration or termination of this Agreement, or (b) obtain an endorsement on such insurance that provides an extended reporting period of not less than two years following the termination or expiration of this Agreement or insurance policy, which ever is longer, or (c) replace such claims made insurance coverage with equivalent coverage of the per occurrence form that covers the entire term of the Agreement.

16.3 Evidence of Insurance

Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to: Purchasing & Contract Services, 1100 N. Eastern Ave., Rm. G115, Los Angeles, CA 90063 prior to commencing services under this Agreement. Such certificates or other evidence shall:

16.3.1 Specifically identify this Agreement;

16.3.2 Clearly evidence all coverage required in this Agreement;

16.3.3 Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance; and

16.3.4 The County of Los Angeles, its Special Districts, its officials, officers and employees, be listed on Commercial General Liability Policy as an additional insured designated organization but only with respect to liability arising out of Contractor's operations.

16.4 Insurer Financial Ratings

Insurance is to be provided by an insurance company with an A. M. Best rating of not less than A:VII or similar rating by a reputable rating agency, unless otherwise approved by County.

16.5 Notification of Incidents, Claims or Suits

Contractor shall report to County:

- 16.5.1 Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within ten (10) days of occurrence.
- 16.5.2 Any third-party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement.
- 16.5.3 Any injury to a Contractor employee which occurs on County property. This report shall be submitted on a "County Non-employee Injury Report" to County's Project Coordinator.
- 16.5.4 Any loss, disappearance, destruction, misuse or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of this Agreement.

16.6 Insurance Coverage Requirements for Subcontractors

All subcontractors performing work under this Agreement shall be subject to the insurance requirements of this Agreement and shall be maintained at no cost to County. Contractor shall ensure that any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

- 16.6.1 Contractor providing evidence of insurance covering the activities of sub-contractors, or
- 16.6.2 Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

16.7 Failure to Maintain Coverage

Failure by Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of the contract, upon which County may immediately terminate or suspend this Agreement in accordance with Paragraph 25, Termination for Default, and pursue any remedies to which it is entitled by law.

17.0 INVOICES AND PAYMENTS

17.1 Approval of Invoices

All invoices submitted by Contractor will be paid in accordance with the County's Purchase Order and Sections 8.0, Software Acceptance, 17.5, Discrepancies, and 17.6, Payments, of this Agreement. In the event of a conflict between the terms of Purchase Order and the terms set forth in this Agreement, the terms of this Agreement shall control.

17.2 Invoices

- 17.2.1 Each invoice submitted by Contractor shall state:
 - A. The identifying Purchase Order number;

- B. Software and/or Services for which payment is claimed;
- C. The date of written notification of receipt of Software products and/or Services by County's Project Manager;
- D. Any applicable withhold amount for payments claimed or reversals thereof; and
- E. Any applicable credits due County under the terms of this Agreement or reversals thereof.

17.2.2 Contractor shall invoice County for all Software and/or Services provided under this Agreement pursuant to the terms of this Agreement. All invoices shall be subject to Section 17.1, Approval of Invoices. All invoices under this Agreement shall be submitted to the bill-to address indicated on the applicable Purchase Order. County will pay Contractor's invoices only for Software products and Services ordered and Accepted by County.

17.3 Transportation Charges

Contractor shall bear the full risk of loss due to total or partial destruction of the Software products loaded on CDs or other computer media, until such items are delivered to Customer. All transportation and related insurance charges for shipment of Software shall be paid directly by Contractor to the applicable carrier. Contractor shall be solely liable and responsible for, any and all transportation and related insurance charges.

17.4 Sales and Use Tax

The fees set forth in the Schedule do not include applicable California and other state and local sales/use taxes on all Software products procured by County pursuant to or otherwise due as a result of this Agreement. All California sales/use taxes shall be paid directly by Contractor to the State or other taxing authority. Contractor shall be solely liable and responsible for any and all California and other state and local sales/use taxes billed by Contractor to County and paid by County to Contractor in accordance with this Agreement. In the event Contractor fails to pay such California or any other state or local sales/use tax and such taxes have been paid by County to Contractor, Contractor shall reimburse County for any and all tax amounts paid by County as a result of such failure and any attorneys' fees, including costs, associated therewith. In addition, Contractor shall be solely responsible for all taxes based on Contractor's income or gross revenue, or personal property taxes levied or assessed on Contractor's personal property to which County does not hold title.

17.5 Discrepancies

In the event discrepancies are found during the invoice review as provided in Section 17.2.2 above, County's Project Manager, or his/her designee, will notify Contractor of such discrepancies and submit a list of disputed charges as soon as practicable, but no later than within thirty (30) days from (i) the later of receipt of such invoice by County or receipt of Software with the receiving report, for Software invoices, and (ii) the later of receipt of such invoice by County, for Services. Contractor shall review the disputed charges and send a written explanation detailing the basis for the charges as soon as practicable, but no later than within thirty (30) days of receipt of County's notice of discrepancies and disputed charges. "Discrepancies" as used in this Paragraph 15 shall mean the details on the invoice or the receiving report which do not conform to the Purchase Order.

If no notice of invoice discrepancies is received by Contractor within thirty (30) days from the date of County's receipt of the invoice, the invoice shall be deemed undisputed and qualified for payment in its entirety and County's written approval discussed in Paragraph 15.1, Approval of Invoices, shall be deemed completed.

17.6 Payments

Unless otherwise specified herein, payment to Contractor shall be made in accordance with the terms set forth herein or on a Schedule referencing this Agreement, provided Contractor is not in default under any provision of this Agreement. County shall pay all invoice amounts to Contractor within thirty (30) calendar days of receipt of invoices provided that the Software and Services have been Accepted and Contractor's invoices have not been disputed in accordance with Section 17.5, Discrepancies, above. Unless otherwise specified herein, all payment obligations are non-cancelable, non-refundable and non-contingent.

17.7 County's Right to Withhold Payment

Notwithstanding any other provision of this Agreement, and in addition to any rights of County given by law or provided in this Agreement, County may upon written notice to Contractor withhold payment for any work under this Agreement while Contractor is in default hereunder, provided that Contractor has been notified of such default and such default has not been cured within thirty (30) days of notice from County, or at any time that Contractor has not provided to County services ordered by an Purchase Order.

17.8 Contractor's Right to Withhold Performance

Notwithstanding any other provision of this Agreement, Contractor reserves the right to withhold performance of any obligations under another agreement with County, in the event of County's nonpayment when due of any amounts due hereunder, provided that such nonpayment is not due to County disputing an invoicing in accordance with Paragraph 15.5, Discrepancies. Contractor shall provide County with at least thirty (30) days written notice of such nonpayment before any performance is withheld hereunder.

18.0 GRATUITOUS WORK

Contractor agrees that Software Licenses or Services provided by Contractor outside of this Agreement are deemed gratuitous, and Contractor shall have no claim regarding such Software Licenses or Services, unless the parties have executed a separate agreement for the purchases.

19.0 CHANGE NOTICES AND AMENDMENTS

19.1 Except as otherwise provided in this Agreement, no representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or conditions of this Agreement, except through the procedures required under this Section 19.0.

19.2 County reserves the right to change any portion of the work required under this Agreement and to any other provisions of this Agreement. All such changes shall be accomplished only as provided in this Section 19.0.

19.3 For any change requested by County which does not affect the scope of work, term, payments, or any term or condition included in this Agreement, a Change Notice shall be prepared and executed by County's Purchasing Agent.

19.4 Except as otherwise provided in this Agreement, for any change requested by County or Contractor which affects the scope of work, term, payments, price or other any term or condition included in this Agreement, a negotiated written Amendment to this Agreement shall be prepared and executed by each of County's Purchasing Agent and Contractor's authorized representative.

19.5 Facsimile Transmissions

Except for the parties' initial signatures to this Agreement, which must be provided in "original" form and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each party, when appearing in appropriate places on any Change Notices prepared pursuant to this Paragraph 8, or on any Amendments to this Agreement, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to such Change Notices or Amendments to this Agreement, such that the parties need not follow up facsimile transmissions of such documents by subsequent (non-facsimile) transmissions of "original" versions of such documents.

20.0 ADMINISTRATION OF AGREEMENT - COUNTY

20.1 County's Project Director

20.1.1 County's Project Director for this Agreement shall be County's Purchasing Agent or his/her designee.

20.1.2 County will notify Contractor in writing of any change in the name or address of County's Project Director.

20.1.3 County's Project Director will be responsible for ensuring that the objectives of this Agreement are met.

20.2 County's Project Manager

20.2.1 County's Project Manager shall be the following person, or his/her designee:

Section Manager, Technology Acquisitions
Purchasing Division, Internal Services Department
Los Angeles County
1100 N. Eastern Ave. – Room G115
Los Angeles, CA 90063

20.2.2 County's Project Manager will be responsible for confirming that Contractor has complied with the technical standards and requirements of this Agreement are met.

20.2.3 County's Project Manager will advise County's Project Director as to Contractor's performance with respect to requirements and technical standards.

20.2.4 County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

20.2.5 County will notify Contractor in writing of any changes in the name or address of County's Project Manager.

20.2.6 County's Project Manager will provide technical direction to Contractor in the areas relating to County policy, information requirements and procedural requirements.

20.3 Approval of Orders

All orders for Software and Services provided by Contractor under this Agreement must be authorized on a Purchase Order issued by County. In no event shall County be liable or responsible for any payments prior to its issuance of such Purchase Order.

21.0 ADMINISTRATION OF AGREEMENT - CONTRACTOR

21.1 Contractor's Account Manager

Contractor's Account Manager shall be the following person who shall be a full-time employee of Contractor:

- 21.1.2 Contractor's Account Manager shall be the Contractor point of contact responsible for Contractor's performance of all its tasks and subtasks, and ensuring Contractor's compliance with this Agreement.
- 21.1.3 Contractor's Account Manager shall meet and confer with County's Project Manager on a regular basis to review project progress and discuss project coordination. Such meetings shall be conducted at a time and place convenient to County's Project Manager.
- 21.2 Approval of Contractor's Staff
- 21.2.1 In fulfillment of its responsibilities under this Agreement, Contractor shall utilize, and permit utilization of, only staff fully trained and experienced, and as appropriate, licensed or certified in the technology, trades, tasks and subtasks required by this Agreement. Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner.
- 21.2.2 County has the absolute right to approve or disapprove each member, or proposed member, of Contractor's staff performing work under this Agreement, including but not limited to Contractor's Account Manager, prior to and during their performance of any work hereunder, as well as so approving or disapproving any proposed deletions from or other changes in such staff. County's Project Manager may require replacement of any member of Contractor's staff performing, or offering to perform, work hereunder, including but not limited to Contractor's Account Manager. Contractor shall provide County with a resume of each such proposed initial staff member, including but not limited to Contractor's Account Manager, and proposed substitute and an opportunity to interview such person prior to his/her performance of any work hereunder.
- 21.2.3 In addition, Contractor shall provide to County's Project Director an executed Contractor Employee Acknowledgment and Confidentiality Agreement (Exhibit F) for Contractor's Account Manager and each on-site personnel performing work under this Agreement on or immediately after the Effective Date, but in no event later than the date Contractor's Account Manager or other on-site personnel first performs work under this Agreement or gains access to any sensitive financial or personally identifiable information.
- 21.2.4 Contractor shall, to the maximum extent possible, take all necessary steps to assure continuity over time of the membership of the group constituting Contractor's staff, including, but not limited to, Contractor's Account Manager. Contractor shall promptly fill any staff vacancy with personnel having qualifications at least equivalent to those of the staff member(s) being replaced.
- 21.2.5 In the event Contractor should ever need to remove Contractor's Account Manager from performing work under this Agreement, Contractor shall provide County with notice at least fifteen (15) days in advance, except in circumstances in which such notice is not possible, and shall work with County on a mutually agreeable transition plan so as to provide an acceptable replacement and ensure project continuity. Should County be dissatisfied with Contractor's Account Manager or the primary contact for Support Services, provided that County is a current subscriber of Maintenance and Support under this Agreement, Contractor shall replace such person with another to County's satisfaction.

21.2.6 Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner.

21.3 Reports by Contractor

21.3.1 Quarterly Reports

In order to control expenditures and to ensure the reporting of all goods, services, and other work provided by Contractor, Contractor shall provide County's Project Manager, with a copy to County's Project Director, written quarterly reports, which shall include, at a minimum, the following information:

- A. Period covered by the report,
- B. Software Licenses licensed during the reporting period,
- C. Services, including Support, Installation and Training, provided by Contractor during the reporting period,
- D. Changes in the Software product line and/or Services,
- E. Issues resolved,
- F. Issues to be resolved,
- G. Any other information which County may reasonably from time-to-time require.

21.4 Consumption Report

At the end of the Initial Term and the first Extended Term, if any, Contractor shall provide County's Project Director with a Consumption Report listing all the purchases (including Software Licenses and Services) made by County, and each non-Los Angeles County Customer, under this Agreement during the term of this Agreement, up to and including the Initial Term or the first Extended Term, as applicable. Such report shall be provided no later than one hundred and twenty (120) days prior to the end of the Initial Term, and the first Extended Term, if any.

22.0 PROHIBITION AGAINST ASSIGNMENT AND DELEGATION

22.1 The Contractor shall not assign its rights and/or delegate its duties under this Agreement, whether in whole or in part, without the prior written consent of County, and any attempted assignment and/or delegation without such consent shall be null and void. County may exercise or withhold consent in its sole discretion. No assignment and/or delegation shall be effective unless and until there is a duly-executed, written amendment to this Agreement. Any payments by the County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

22.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

22.3 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

23.0 SUBCONTRACTING

23.1 Contractor shall be permitted to subcontract the performance of this Agreement, subject to the provisions of this Section 23.0.

23.2 Notwithstanding any provision of this Agreement to the contrary, whether expressly or by implication, Contractor shall indemnify, defend, and hold harmless County, its officers, employees and agents, from and against any and all liability, including but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with any subcontractor acts and/or omissions.

23.3 Contractor shall remain fully responsible for any and all performance required of it under this Agreement, including those which Contractor has determined to subcontract, including, but not limited to, the obligation to properly supervise, coordinate and perform all work required under this Agreement.

23.4 Nothing herein shall waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Agreement. Contractor shall notify its subcontractors of this County right prior to subcontractors commencing performance under this Agreement.

23.5 Contractor shall be solely liable and responsible for any and all payments and other compensation to all subcontractors, and their officers, employees, agents, and successors in interest, for any services performed by subcontractors under this Agreement.

23.6 For each subcontract entered into by Contractor, covering personnel who will perform Services onsite at County's facilities, Contractor shall deliver to ISD, Purchasing & Contract Services Division, 1100 North Eastern Avenue, Room G115, Los Angeles, CA 90063, immediately after the effective date of the subcontract, but in no event later than the date any work is performed under the subcontract:

23.6.1 A fully executed copy of each subcontract entered into by Contractor, with pricing terms excluded;

23.6.2 An executed Acknowledgement and Confidentiality Agreement, Exhibit F, for each subcontractor employee approved to perform work under this Agreement; and

23.6.3 Certificates of Insurance, which establish that the subcontractor maintains all the programs of insurance required by County.

24.0 DISCLOSURE OF INFORMATION

- 24.1 Each party shall not disclose any details in connection with this Agreement, including but not limited to any of its terms or conditions or any circumstances which occur during the performance of this Agreement to any party except as may be otherwise provided herein or required by law.
- 24.2 However, in recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publicizing its role under this Agreement under the following conditions:
- 24.2.1 Contractor shall develop all publicity material in a professional manner.
- 24.2.2 During the term of this Agreement, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Project Manager.
- 24.2.3 Contractor may, without the prior written consent of County, indicate in its proposals and sales that it has been awarded this Agreement with County, provided that the requirements of this Paragraph 25 shall apply.

25.0 CONFIDENTIALITY

- 25.1 Subject to the California Public Records Act, and in accordance with all applicable Federal, State and County laws, regulations, ordinances and directives relating to confidentiality, each party shall maintain the confidentiality of all its records, data and information, including, but not limited to, billing and County records, for at least five (5) years from the date of disclosure. The parties agree, unless required by law, not to make each other's confidential information available in any form to any third party for any purpose other than the implementation of this Agreement.
- 25.2 Nothing shall prevent either party from disclosing the terms or pricing under this Agreement or orders submitted under this Agreement in any legal proceeding arising from or in connection with this Agreement.
- 25.3 A party's confidential information shall not include information that: (i) is or becomes a part of the public domain through no act or omission of the other party; (ii) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (iii) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (iv) is independently developed by the other party.

25.4 Contractor shall provide to County an executed Acknowledgement and Confidentiality Agreement (Exhibit F) for each of its employees performing work on County's premises under this Agreement in accordance with Paragraph 33, Independent Contractor Status. With respect to any identifiable information concerning any patient that is obtained by Contractor or any other records and information, Contractor shall: (1) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; (2) promptly transmit to County all requests for disclosure of any such records or information; (3) not disclose, except as otherwise specifically permitted by this Agreement, any such records or information to any person or organization other than County without county's prior written authorization that the records are, or information is, releasable; and (4) at the expiration or termination of this Agreement, return all such records and information to County or maintain such records and information according to the written procedures sent to Contractor by County for this purpose.

25.5 Contractor acknowledges that a breach by the other party of this Paragraph 26 may result in irreparable injury to the non-breaching party that may not be adequately compensated by monetary damages, and that, in addition to the non-breaching party's other rights under this Paragraph 26 and at law and in equity, the non-breaching shall have the right to injunctive relief to enforce the provisions of this Paragraph 26.

26.0 FORCE MAJEURE

Neither party shall be liable for failure to perform under this Agreement, if its failure to perform arises out of, and only, fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes or freight embargoes, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of the non-performing party.

27.0 TERMINATION FOR DEFAULT

27.1 County Default

Contractor may, by written notice to County, terminate this Agreement if County fails to pay the Software License fee(s) when due in accordance with this Agreement and does not correct such failure within thirty (30) days of receipt of written notice from Contractor, or within any such greater period as mutually agreed.

27.2 Contractor Default

County may, by written notice to Contractor, terminate the whole or any part of this Agreement if:

27.2.1 Contractor has failed to comply with the material provisions of this Agreement or has materially breached this Agreement and failed to correct such material breach within thirty (30) days of receipt of written notice from County of such breach; or

27.2.2 Contractor fails to timely provide the Software products listed in a Purchase Order referencing this Agreement at the prices set forth therein or satisfactorily perform the Services; or

27.2.3 Contractor fails to demonstrate a high probability of timely fulfillment of the performance requirements under this Agreement, or of any obligations of this Agreement, and in either case, fails to demonstrate convincing progress toward a cure within ten (10) days (or such longer period as County may authorized in writing by County's Project Manager) after receipt of the notice from County.

27.3 In the event that this Agreement is terminated as provided in this Section 27.0, then:

27.3.1 County shall have the right to continued use of all Software licensed to County pursuant to Section 5.0, Software License; and

27.3.2 Contractor and County shall continue the performance of this Agreement to the extent not terminated under this Section 27.0; and

27.3.3 County shall compensate Contractor for all work performed under this Agreement up to the effective date of termination.

27.4 If, after County has given notice of termination under the provisions of this Section 27.0, it is determined by County that Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 28.0, Termination for Convenience.

27.5 The rights and remedies of County provided in this Section 27.0 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

28.0 TERMINATION FOR CONVENIENCE

28.1 This Agreement may be terminated in its entirety, or with respect to certain Purchase Order(s) for Maintenance and Support, when such action is deemed by County to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective, which shall be no less than thirty (30) calendar days after the notice is sent.

28.2 After receipt of a notice of termination and except as otherwise directed by County, Contractor shall:

28.2.1 Stop performance of its Services with respect to any or all orders under this Agreement on the date and to the extent specified in such notice; and

28.2.2 Deliver to County all completed work and work in progress; and

28.2.3 Complete performance of such part of the work as shall not have been terminated by such notice; and

28.2.4 Return to County all fees paid by County and unearned by Contractor according to the terms of this Agreement, including prepaid maintenance and support fees on a pro rata use basis.

28.3 After receipt of a notice of termination, Contractor shall submit to County, in the form and with any certifications as may be prescribed by County, Contractor's termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than ninety (90) days from the effective date of termination.

29.0 INDEPENDENT CONTRACTOR STATUS

29.1 This Agreement is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association as between County and Contractor. The employees and agents of one party are not and shall not be, or construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent contractor.

29.2 Contractor shall be solely liable and responsible for providing all workers' compensation insurance and benefits, liability insurance, employer taxes, compensation, and benefits to, or on behalf of, all persons performing work pursuant to this Agreement. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, payroll taxes, disability insurance or benefits, or Federal, State or local taxes, or other compensation, benefits or taxes for any personnel provided by or performing work on behalf of Contractor.

29.3 The employees and agents of Contractor shall, while on the premises of County, comply with all rules and regulations of the premises, including, but not limited to, security requirements.

29.4 Contractor shall provide to County an executed Contractor Employee Acknowledgment and Confidentiality Agreement, Exhibit F, for each of its employees performing work on County's premises under this Agreement. Such agreements shall be delivered to County's Project Manager on or immediately after the execution of this Agreement by County and Contractor, but in no event later than the date any such employee first performs work under this Agreement.

30.0 COUNTY'S QUALITY ASSURANCE PLAN

County, or its agent, will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with the terms and conditions of this Agreement. Contractor deficiencies, which County determines are severe or continuing and that may place performance of this Agreement in jeopardy, if not corrected, will be reported to the County's Board of Supervisors. The report will include improvements and/or corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may, at its sole option, terminate this Agreement, in whole or in part, pursuant to Paragraph 27.2, Termination for Default.

31.0 TRUE-UP VERIFICATION

County will use best efforts to keep accurate records of the number of copies of the Software made and distributed, the number of end users of the Software and their location. Prior to renewal of Maintenance, County will perform true-up verification of the License count using management software developed for its purpose, or Contractor by verification of County documentation may enter County premises during Business Days to perform true-up verification at its own expense by giving at least a sixty (60) days notice thereof to County for the purpose of examining, or having examined (at Contractor's own expense), relevant books, records and computers to verify County's fulfillment of its obligations under this Agreement. Contractor shall provide to County an executed Acknowledgement and Confidentiality Agreement (Exhibit F) for each of its representatives performing the true-up verification on County premises prior to entering County premises. The terms and conditions of this Agreement shall apply to the true-up verification. The true-up verification by both County and Contractor shall be discontinued when County attains an enterprise License for the Software hereunder.

32.0 GOVERNING LAW, JURISDICTION AND VENUE

This Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California applicable to agreements made and to be performed within the State. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California. For claims that are subject to exclusive Federal subject matter jurisdiction, Contractor agrees and consents to the exclusive jurisdiction of the Federal District Court of the Central District of California.

33.0 WAIVER

No breach of any provision hereof can be waived unless in writing. No waiver by County or Contractor of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of County or Contractor to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Agreement shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

34.0 AUTHORIZATION WARRANTY

Contractor and County represent and warrant that the person executing this Agreement or any Amendment thereto pursuant to Section 19.0, Change Notices and Amendments, on its behalf is an authorized agent who has actual authority to bind it to each and every term, condition and obligation of this Agreement, and that all requirements of Contractor and County have been fulfilled to provide such actual authority.

35.0 FORMS AND PROCEDURES

All existing forms and procedures used by Contractor in implementation of the provisions of this Agreement are deemed “approved” by County for purposes of this Section 35.0 . Any new forms and procedures which materially affect Contractor’s performance of this Agreement, shall be subject to review and approval by County prior to use by Contractor.

36.0 MINIMUM AGE, LANGUAGE SKILLS AND LEGAL STATUS OF CONTRACTOR PERSONNEL AT FACILITY

Contractor cannot assign employees under the age of eighteen (18) to perform work under this Agreement. All of Contractor’s employees working at County facilities must be able to communicate in English. Contractor’s employees must be United State citizens or legally present and permitted to work in the United States.

37.0 VALIDITY AND SEVERABILITY

37.1 Validity

The invalidity of any provision of this Agreement shall not render the other provisions hereof invalid, unenforceable or illegal, unless the essential purposes of this Agreement shall be materially impaired thereby.

37.2 Severability

In a final judgment and after the exhaustion of any appellate rights, if a court of competent jurisdictions has found that any provision here is invalid or void, such provision shall be deemed severable from the remainder of this Agreement, if practicable, and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

38.0 NOTICES

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties at the following addresses. Notices shall be deemed given (i) at the time of signed receipt or refusal of receipt, in the case of hand delivery; and (ii) three (3) days after deposit in the United States mail, in the case of mail. Addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party.

If to County:

- (1) Purchasing

Manager, Technology Acquisitions Section
Internal Services Department
1100 North Eastern Avenue, Room G115
Los Angeles, CA 90063

If to Contractor:

(XYZ Corporation)
(Individual's name)
(Street address)
(City, State zip code)

39.0 ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of arm's length negotiations between Contractor and County, with each party having had the opportunity to receive advice from and representation by independent counsel of its own choosing. As such, the parties agree that this Agreement is to be interpreted fairly as between them and is not to be strictly construed against either as the drafter or otherwise.

40.0 NONEXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Agreement shall not restrict County from acquiring similar, equal or like goods and/or services from other entities or sources.

41.0 CAPTIONS AND PARAGRAPH HEADINGS

Captions and paragraph headings used in this Agreement are for convenience only, are not a part of this Agreement, and shall not be used in construing this Agreement. If there is a conflict when referencing a paragraph in this Agreement, between the paragraph heading title and its number, the paragraph heading title controls.

42.0 SURVIVAL

Unless otherwise specified herein, the provisions in the following Sections shall survive the expiration or termination of this Agreement.

From the base document:

5.0 Software License
11.0 Intellectual Property Warranty & Indemnification

From Exhibit A (Additional Terms & Conditions - Administration):

15.0 Indemnification
16.0 Insurance
24.0 Disclosure of Information
25.0 Confidentiality

From Exhibit B (Additional Terms & Conditions - Social Programs):

- 72.0 Compliance with Applicable Law
- 73.0 Fair Labor Standards
- 74.0 Compliance with Civil Rights Laws
- 76.0 Employment Eligibility Verification
- 79.0 Federal Access to Records
- 81.0 No Third Party Beneficiaries
- 92.0 Governing Law, Jurisdiction, and Venue
- 93.0 Validity

Any terms of this Agreement which by their nature extend beyond its termination remain in effect until fulfilled, and apply to respective successors and assignees.

43.0 NOTICE OF DELAYS

Exception as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within five (5) business days, give notice thereof, including all relevant information with respect thereto, to the other party.

44.0 COUNTY AUDIT SETTLEMENTS

If, at any time during or after the term of this Agreement, representatives of County conduct an audit of Contractor regarding the work performed under this Agreement, and if such audit reasonably and accurately find that County's dollar liability for such work is less than payments made by County to Contractor, then the difference, together with County's reasonable costs of audit, shall be either repaid by Contractor to County by cash payment upon demand or deducted from any amounts due to Contractor from County, as determined by County. If such audit finds the County's dollar liability for such work is more than payments made by County to Contractor, then the difference shall be repaid to Contractor by cash payment.

[Section numbers 45.0 - 64.0 are reserved.]

-END OF EXHIBIT A-

EXHIBIT B
(ADDITIONAL TERMS & CONDITIONS - SOCIAL PROGRAMS)

65.0 TERMINATION FOR IMPROPER CONSIDERATION

65.1 County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

65.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County's Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

65.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

66.0 TERMINATION FOR GRATUITIES

County may, by written notice to Contractor, terminate the right of Contractor to proceed under this Agreement upon one (1) calendar day's notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer, employee, or agent of County with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

67.0 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

County's obligation may be limited if it is payable only and solely from funds appropriated for the purpose of this Agreement. Notwithstanding any other provision of this Agreement, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. County will notify Contractor in writing of any such non-appropriation of funds at the earliest possible date.

68.0 RECORDS AND AUDITS

68.1 Contractor shall maintain accurate and complete financial records of its activities and operation relating to this Agreement in accordance with generally accepted accounting principles. Contractor agrees that County, or its authorized representatives, shall have

access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Agreement to the extent required by law. All such material shall be kept and maintained by Contractor during the term of this Agreement and for a period of five (5) years thereafter, unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County Contractor shall make the necessary arrangements at its own cost and expense to have such material made available to the County within the County's borders.

68.2 In the event that an audit is conducted of Contractor specifically regarding this Agreement by any Federal or State auditor, then Contractor shall file a copy of such audit report with County's Auditor-Controller within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

68.3 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 33 shall constitute a breach of this Agreement upon which County may terminate or suspend this Agreement under the terms of Section 27.2, Termination for Default.

69.0 WARRANTY AGAINST CONTINGENT FEES

69.1 Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

69.2 For breach of this warranty, County shall have the right to terminate this Agreement and, at its sole discretion, deduct from the fees owed, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

70.0 MOST FAVORED PUBLIC ENTITY

If Contractor's prices decline, or should Contractor, at any time during the term of this Agreement, provide the identical software, software models, components, goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Agreement, then such lower prices shall be immediately extended to County. County shall have the right, at County's expense, to utilize a County auditor or an independent auditor to verify Contractor's compliance with this Section 70.0 by review of Contractor's books and records.

71.0 CONFLICT OF INTEREST

71.1 No County employee whose position with County enables such employee to influence the award of this Agreement or any competing agreements shall be employed in any capacity by Contractor or have any other direct financial interest in this Agreement. No officer or employee of Contractor, who may financially benefit from the performance of work hereunder, shall in any way participate in County's approval or ongoing evaluation

of such work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such work.

71.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Agreement which are applicable to it as a Software and Services provider. Contractor warrants that it is not now aware of any facts which do create an unlawful conflict of interest for Contractor. If a party hereafter becomes aware of any facts, which might reasonably be expected to create an unlawful conflict of interest for it, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

72.0 COMPLIANCE WITH APPLICABLE LAWS

72.1 Contractor's activities hereunder shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, guidelines and directives, which apply to this Agreement and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference. Contractor shall have up to fifteen (15) days to correct any noncompliance with such rules, regulations, ordinances, guidelines and directives following written notice from County including written copies of such applicable rules, regulations, ordinances, guidelines and/or directives.

72.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents from and against any and all liability (including but not limited to claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees) arising from or related to any violation on the part of Contractor, its employees, agents or subcontractors of any such laws, rules, regulations, ordinances, guidelines or directives. Any legal defense pursuant to Contractor's indemnification obligations under this Section 72.2 shall be conducted by Contractor and performed by counsel selected by Contractor. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense.

73.0 FAIR LABOR STANDARDS

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, and employees from any and all third party liability for, wages, overtime pay, liquidated damages, penalties, court costs and attorneys' fees arising from acts engaged in by Contractor in violation of applicable wage and hour laws in the State of California and in the Federal Fair Labor Standards Act, for work performed by Contractor's employees for which County may be found jointly or solely liable, provided that County: (i) promptly notifies Contractor in writing of the claim; and (ii) allows Contractor to control, and cooperate with Contractor in, the defense and any related settlement negotiations.

74.0 COMPLIANCE WITH CIVIL RIGHTS LAWS

74.1 Contractor herein certifies and agrees, and will re-certify upon County request no more frequently than once per year, that all persons employed by it, its affiliates, subsidiaries and holding companies will be treated equally without regard to or because of race, color,

religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

74.2 Contractor shall, pursuant to Los Angeles County Code Section 4.32, certify to and comply with the provisions of the Contractor's EEO Certification attached as Exhibit G.

74.3 Contractor shall ensure that applicants and employees are treated equally during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

74.4 Contractor herein certifies and agrees, and will re-certify upon County request no more frequently than once per year, that it will deal with its subcontractors, bidders or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status or political affiliation, except to the extent necessary to comply with applicable Federal and State anti-discrimination laws and regulations.

74.5 Contractor herein certifies, and will re-certify upon County request no more frequently than once per year, that it, its affiliates, subsidiaries and holding companies are in compliance with all Federal, State, and local laws including, but not limited to:

1. Title VII, Civil Rights Act of 1964;
2. Section 504, Rehabilitation Act of 1973;
3. Age Discrimination Act of 1975;
4. Title IX, Education Amendments of 1973, as applicable; and
5. Title 43, Part 17, Code of Federal Regulations, Subparts A & B,

and that no person shall, on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap, be subject to discrimination as to any privileges or uses gained under this Agreement or under any project, program or activity supported by this Agreement.

74.6 Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 43 when so requested by County.

74.7 If County finds that any of the provisions of this Paragraph 43 have been violated, such violation shall, at the election of County, constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement at County's option, either for material breach under Paragraph 27 of this Agreement, or for convenience under Paragraph 28 of this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations shall constitute a

finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

74.7 The parties agree that in the event Contractor is found to have violated the anti-discrimination provisions of this Agreement, and that such discrimination was directly associated with the performance of services provided under this Agreement, County may require, pursuant to Los Angeles County Code Section 4.32.010 (E), that Contractor pay the sum of Five hundred Dollars (\$500) for each such violation, in lieu of termination or suspension hereof, as liquidated damages are extremely difficult to ascertain or calculate precisely. In the alternative, County may elect to terminate this Agreement pursuant to Paragraph 27, Termination for Default.

75.0 RESTRICTIONS ON LOBBYING

75.1 Federal Funds Projects

If any Federal funds are to be used to pay for any portion of Contractor's work under this Agreement, County shall notify Contractor in writing in advance of such payment and Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully complies with all applicable certification and disclosure requirements.

75.2 County Projects

Contractor, and each County lobbyist or County lobbying firm, as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County Lobbyist Ordinance shall constitute a material breach of this Agreement, upon which County may immediately terminate or suspend this Agreement at County's option, either for material breach under Paragraph 26 of this Agreement, or for convenience under Paragraph 27 of this Agreement.

76.0 EMPLOYMENT ELIGIBILITY VERIFICATION

76.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding employment of aliens and others and that all its employees performing Services under this Agreement meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603).

76.2 Contractor shall obtain from all employees performing under this Agreement all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for the period prescribed by law.

76.3 Contractor shall indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, but not limited to, defense costs and legal, accounting and

other expert, consulting or professional fees, arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Agreement.

77.0 CONTRACT HIRING

77.1 Consideration of Hiring County Employees Targeted for Layoffs

Should Contractor require additional or replacement personnel after the effective date of this Agreement to perform the work set forth herein, Contractor shall give first consideration for such employment openings to permanent County employees who are targeted for layoff or qualified former County employees who are on a re-employment list during the term of this Agreement.

77.2 Consideration of GAIN/GROW Program Participants for Employment

Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN participants by job category to Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, Contractor shall give County employees first priority.

77.3 Prohibition against Inducement and Persuasion

Contractor and County agree that, during the term of this Agreement and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. Notwithstanding the foregoing, such prohibition shall not apply to any hiring action initiated through a public announcement.

77.4 Notice to Employees Regarding the Federal Earned Income Credit

If required by applicable law, Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided, in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

78.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

78.1 **Responsible Contractor**

A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily

perform the contract. It is the County's policy to conduct business only with responsible contractors.

78.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

78.3 Non-responsible Contractor

The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

78.4 Contractor Hearing Board

78.4.1 If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

78.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

78.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

78.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of

debarment or terminate the debarment if it finds that the contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

78.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

78.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

78.5 **Subcontractors of Contractor**

These terms shall also apply to subcontractors of County contractors.

79.0 FEDERAL ACCESS TO RECORDS

If, and to the extent that Section 1861(v)(1)(I) of the Social Security Act (42 United States Code Section 1395x(v)(1)(i) is applicable, Contractor agrees that for a period of four (4) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States or to any of their authorized representatives, the contracts, books, documents and records of Contractor which are necessary to verify the nature and extent of the costs of services provided hereunder. Furthermore, if Contractor carries out any of the services described in 42 United States Code Section 1395 through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve month period with a related organization (as that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

80.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS AND CERTIFICATES

Contractor shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates required by all Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives, which are applicable to Contractor's provision of the Services under this Agreement. Contractor

shall further ensure that all of its officers, employees, agents and Subcontractors who perform Services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation and certificate required by all applicable Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives shall be provided, if required by law, in duplicate, to Internal Services Department, Purchasing, Attention:

Manager, Technology Acquisitions Section
1100 North Eastern Avenue, Room G115
Los Angeles, CA 90063

81.0 NO THIRD PARTY BENEFICIARIES

Notwithstanding any other provision of this Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement, except that this provision shall not be construed to diminish Contractor's indemnification obligations hereunder.

82.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER

Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible without related danger to Contractor's or subcontractors' employees and suppliers. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services on-site, such staff members may perform any or all of their services remotely.

83.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

83.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

83.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand or, without limitation of all County's other rights and remedies provided by law or under this Agreement, County may deduct such costs from any amounts due Contractor from County under this Agreement.

84.0 ACCESS TO COUNTY FACILITIES

Contractor, its employees and agents, will be granted access to County facilities, subject to Contractor's prior notification to County's Project Manager, for the purpose of executing Contractor's obligations hereunder. Access to County facilities shall be restricted to normal business hours, 8:00 a.m. until 5:00 p.m., Pacific Time, Monday through Friday, County observed holidays excepted. Access to County facilities outside

of normal business hours must be approved in writing in advance by County's Project Manager, which approval will not be unreasonably withheld. Contractor shall have no tenancy, or any other property or other rights, in County facilities. While present at County facilities, Contractor's personnel shall be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by County's Project Manager.

85.0 COUNTY FACILITY OFFICE SPACE

In order for Contractor to perform Services hereunder and only for the performance of such Services, County may elect, subject to County's standard administrative and security requirements, to provide Contractor with office space and equipment, as determined at the discretion of the applicable County's Project Manager at County facilities, on a non-exclusive use basis. County shall also provide Contractor with reasonable telephone service in such office space for use only for purposes of this Agreement. County disclaims any and all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

86.0 PHYSICAL ALTERATIONS

Contractor shall not in any way physically alter or improve any County facility without the prior written approval of the applicable County's Project Manager, and County's Director of Internal Services Department, in their discretion.

87.0 STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

Contractor shall use reasonable efforts to ensure that no employee of Contractor shall perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic or other substance which might impair his or her physical or mental performance.

88.0 SAFELY SURRENDERED BABY LAW

88.1 As required by applicable law, Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrender Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at <http://babysafela.org> for printing purposes.

88.2 Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used.

89.0 RECYCLED PAPER

Consistent with the County's Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible in this Project.

90.0 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

90.1 Jury Service Program

This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.020 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated herein.

90.2 Written Employee Jury Service Policy

90.2.1 Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

90.2.2 For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12 month period under one or more County contracts or subcontract. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard and is approved as such by the County. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

90.2.3 If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program's definition of "Contractor" and/or Contractor continues to qualify for an exception to the Program.

90.2.4 Contractor' violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

91.0 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

91.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

91.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor shall comply with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1073.5 relating to employment reporting for its employees, and shall fully comply with all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

91.3 Failure to comply with such state and federal reporting requirements, or failure to fully implement such lawfully served Orders or Notices, constitutes a default under the contract, and failure to cure the default within 90 days of notice by the County shall subject the contract to termination. Furthermore Contractor's failure to comply with these requirements may be cause for debarment.

92.0 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

93.0 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

-END OF EXHIBIT B-

EXHIBITS E – J

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PARTICIPATING ENTITIES

PARTICIPATING PUBLIC AGENCIES

COUNTY AND VENDOR AGREE THAT OTHER GOVERNMENTAL ENTITIES, INCLUDING BUT NOT LIMITED TO: STATES, COUNTIES, CITIES, SPECIAL DISTRICTS, POLITICAL SUBDIVISIONS, SCHOOL DISTRICTS, HIGHER EDUCATION, AND OTHER MUNICIPALITIES (“PARTICIPATING PUBLIC AGENCIES”) MAY PURCHASE PRODUCTS OR SERVICES DEFINED HEREIN ON THE SAME TERMS, CONDITIONS AND PRICING AS THE COUNTY, SUBJECT TO ANY APPLICABLE LOCAL PURCHASING ORDINANCES AND THE LAWS OF THE STATE OF PURCHASE.

THE COUNTY SHALL NOT BE CONSTRUED AS A DEALER, RE-MARKETER, REPRESENTATIVE, PARTNER OR AGENT OF ANY TYPE OF THE SUPPLIER.

PARTICIPATING PUBLIC AGENCIES SHALL BE RESPONSIBLE FOR THE ORDERING OF PRODUCTS UNDER THIS AGREEMENT. PAYMENT FOR PRODUCTS OR SERVICES AND INSPECTIONS AND ACCEPTANCE OF PRODUCTS OR SERVICES ORDERED BY A PARTICIPATING PUBLIC AGENCY SHALL BE THE EXCLUSIVE OBLIGATION OF SUCH PROCURING PARTY.

THE COUNTY SHALL NOT BE OBLIGATED, LIABLE OR RESPONSIBLE FOR ANY ORDER MADE BY ANY PARTICIPATING PUBLIC AGENCY OR ANY EMPLOYEE THEREOF FOR ANY PAYMENT REQUIRED TO BE MADE WITH RESPECT TO SUCH ORDER; AND THAT ANY DISPUTES BETWEEN A PARTICIPATING PUBLIC AGENCY AND THE SUPPLIER ARE NOT THE RESPONSIBILITY OF THE COUNTY. THE EXERCISE OF ANY RIGHTS OR REMEDIES BY THE PARTICIPATING PUBLIC AGENCY OR SUPPLIER SHALL BE THE EXCLUSIVE OBLIGATION OF SUCH PARTY.

THE COUNTY MAKES NO REPRESENTATION OR GUARANTY WITH RESPECT TO ANY MINIMUM PURCHASES BY THE COUNTY OR ANY PARTICIPATING PUBLIC AGENCY.

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

CONTRACTOR NAME _____ Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | |
|--|------------------------------|-----------------------------|
| 1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

Page 2 of 3

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



**AGREEMENT
CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE"
UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY
ACT OF 1996 (HIPAA)**

Under this Agreement, Contractor ("Business Associate") provides services ("Services") to County ("Covered Entity") and Business Associate receives, has access to, or creates Protected Health Information in order to provide those Services. Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information ("the Privacy Regulations") and the Health Insurance Reform: Security Standards ("the Security Regulations") at 45 Code of Federal Regulations Parts 160 and 164 ("together, the "Privacy and Security Regulations").

The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place.

Therefore, the parties agree as follows:

1.0 DEFINITIONS

- 1.1 "Disclose" and "Disclosure" means, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.
- 1.2 "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.
- 1.3 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

- 1.4 “Individual” means the person who is the subject of Protected Health Information, and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- 1.5 “Protected Health Information” has the same meaning as the term “protected health information” in 45 C.F.R. § 164.503, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information, whether oral or recorded in any form or medium, that (i) relates to the past, present, or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. “Protected Health Information” includes Electronic Health Information.
- 1.6 “Required By Law” means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.
- 1.7 “Security Incident” means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.
- 1.8 “Services” has the same meaning as in the body of this Agreement.
- 1.9 “Use” or “Uses” mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations.
- 1.10 Terms used, but not otherwise defined, in this Paragraph shall have the same meaning as those terms in the HIPAA Regulations.

2.0 OBLIGATIONS OF BUSINESS ASSOCIATE

- 2.1 Permitted Uses and Disclosures of Protected Health Information. Business Associate:

- (a) shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sub-sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;
- (b) shall Disclose Protected Health Information to Covered Entity upon request;
- (c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:
 - (i) Use Protected Health Information; and
 - (ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

2.2 Adequate Safeguards for Protected Health Information. Business Associate:

- (a) shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Paragraph. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.
- (b) effective as of April 20, 2005, specifically as to Electronic Health Information, shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information.

2.3 Reporting Non-Permitted Use or Disclosure and Security Incidents. Business Associate shall report to Covered Entity each Non-Permitted Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors, but is not specifically permitted by this Agreement, and effective as of April 20, 2005, shall report to Covered Entity each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the Covered Entity's HIPAA Privacy Officer within forty-eight (48) hours from the time the Business Associate becomes aware of the Non-Permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief HIPAA Privacy Officer, County of Los Angeles
Kenneth Hahn Hall of Administration
500 West Temple St.
Suite 410
Los Angeles, CA 90012
(213) 974-2164

- 2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph.
- 2.5 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.
- 2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.
- 2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.
- 2.8 Accounting of Disclosures. Business Associate agrees to maintain documentation of the information required to provide an accounting of Disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528, and to make this information available to Covered Entity upon Covered Entity's request, in order to allow Covered Entity to respond to an Individual's request for accounting of disclosures. However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform its Services if such Disclosures are for either payment or health care operations purposes, or both. Additionally, such accounting is limited to disclosures that were made in the six (6) years prior to the request (not including disclosures that were made prior to the compliance date of the Privacy Rule, April 14, 2003) and shall be provided for as long as Business Associate maintains the Protected Health Information.

Any accounting provided by Business Associate under this Section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Sub-section 2.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Sub-section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3.0 OBLIGATION OF COVERED ENTITY

3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

4.0 TERM AND TERMINATION

4.1 Term. The term of this Paragraph shall be the same as the term of this Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.

4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

- (a) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or
- (b) Immediately terminate this Agreement if Business Associate has breached a material term of this Paragraph and cure is not possible; or
- (c) If neither termination or cure are feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information Upon Termination or Expiration

- (a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or

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created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

- (b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make it infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

5.0 MISCELLANEOUS

- 5.1 No Third Party Beneficiaries. Nothing in this Paragraph shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Agreement.
- 5.3 Relationship to Agreement Provisions. In the event that a provision of this Paragraph is contrary to any other provision of this Agreement, the provision of this Paragraph shall control. Otherwise, this Paragraph shall be construed under, and in accordance with, the terms of the Agreement.
- 5.4 Regulatory References. A reference in this Paragraph to a section in the Privacy or Security Regulations means the section as in effect or as amended.
- 5.5 Interpretation. Any ambiguity in this Paragraph shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.
- 5.6 Amendment. The parties agree to take such action as is necessary to amend this Paragraph from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.

Effective: 4/30/05

APPENDIX B

RFP STATEMENT OF WORK

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APPENDIX B

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

The County of Los Angeles ("County") desires a Continuous Controls Monitoring (CCM) software solution with minimal customization, which improves and strengthens internal controls and fiscal stability in a cost-efficient and effective manner.

CCM software solutions are intended to describe transaction monitoring (CCM-T), segregation of duties monitoring (CCM-SOD), master data management (CCM-MD), and application configuration (CCM-AC). The initial focus for the County will be for CCM-T and CCM-SOD software to continuously monitor electronic transactions to identify omissions, errors, potential fraud, and policy non-compliance by validating transaction data against specified control criteria. With these browser-based enterprise applications, summary reports are generated alerting management of potential anomalies for appropriate follow-up and investigation. When integrated with existing control procedures and activities, the resulting system provides a formidable deterrent to fraud, thereby ensuring that resources are utilized appropriately and that County assets are protected.

This Request for Proposals (RFP) specifically concerns the monitoring of areas where there is a strong industry focus due to the inherent risk and likelihood of fraudulent activity. These areas include, but are not limited to: procure-to-pay processes, procurement cards, payroll, general ledger, and travel/entertainment expenses.

Proposals shall also include the capability to provide desktop audit software for ad-hoc data analysis to augment the built-in capabilities of the CCM system.

2.0 ADDITION/DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS

- 2.1 Work hours on this contract shall be from 8:00 a.m. to 5:00 p.m. Pacific time from Mondays through Fridays.
- 2.2 There are three work sites located in Los Angeles County:
 - 2.2.1 900 S. Fremont, Alhambra, CA 91803
 - 2.2.2 9150 E. Imperial Hwy, Downey, CA 90242
 - 2.2.3 350 S. Figueroa St., World Trade Center, 8th Floor, Los Angeles, CA 90071
- 2.3 All changes must be made in accordance with sub-paragraph 8.1 Amendments of the Contract.

3.0 QUALITY CONTROL

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Project Monitor for review. The plan shall include, but may not be limited to the following:

- 3.1 Method of monitoring to ensure that Contract requirements are being met;**
- 3.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.**

4.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract, Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.15, County's Quality Assurance Plan.

4.1 Monthly Meetings

Contractor is required to attend a scheduled monthly meeting. Failure to attend will cause an assessment of fifty dollars (\$50.00).

4.2 Contract Discrepancy Report (Technical Exhibit 1 of Appendix C)

Verbal notification of a Contract discrepancy will be made to the Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Contract Project Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Project Monitor within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Project Monitor within ten (10) workdays.

4.3 County Observations

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

5.0 RESPONSIBILITIES

The County's and the Contractor's responsibilities are as follows:

COUNTY

5.1 Personnel

The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract – County. Specific duties will include:

- 6.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.1 Amendments.

5.2 Furnished Items

- 5.2.1 County shall furnish to the Contractor workspaces for Contractor staff.

CONTRACTOR

5.3 Project Manager

- 5.3.1 Contractor shall provide a full-time Project Manager or designated alternate. County must have access to the Project Manager during all hours, 365 days per year. Contractor shall provide a telephone number where the Project Manager may be reached on a twenty-four (24) hour per day basis.
- 5.3.2 Project Manager shall act as a central point of contact with the County.
- 5.3.3 Project Manager shall have three years of experience managing large, complex projects.
- 5.3.4 Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

5.4 Personnel

- 5.4.1 Contractor shall assign a sufficient number of employees to perform the required work. **At least one employee on site shall be authorized to act for Contractor in every detail and must speak, read, write, and understand English.**
- 5.4.2 Contractor shall be required to background check their employees as set forth in sub-paragraph 7.4 – Background & Security Investigations, of the Contract.

5.5 Uniforms/Identification Badges

- 5.5.1 Contractor employees assigned to County facilities shall wear an appropriate uniform at all times. Uniform to consist of a shirt with the company name on it. Uniform pants are optional. All uniforms, as required and approved by the Director or his designee, will be provided by and at Contractor's expense.
- 5.5.2 Contractor shall ensure their employees are appropriately identified as set forth in sub-paragraph 7.3 – Contractor's Staff Identification, of the Contract.

5.6 Materials and Equipment

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

5.7 Training

5.7.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees.

5.7.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All employees must wear safety and protective gear according to OSHA standards.

5.8 Contractor's Office

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Pacific Time, Monday through Friday, by at least one employee who can respond to inquires and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. **The Contractor shall answer calls received by the answering service within two (2) hours of receipt of the call.**

6.0 HOURS/DAY OF WORK

Contractor staff shall be available during the hours of 8:00 a.m to 5:00 p.m. Pacific Time, Monday through Friday, except on County-recognized holidays. County will provide Contractor with a list of County-recognized holidays.

7.0 WORK SCHEDULES

8.1 Contractor shall submit for review and approval a work schedule for each facility to the County Project Director within ten (10) days prior to starting work. Said work schedules shall be set on an annual calendar identifying all the required on-going maintenance tasks and task frequencies. The schedules shall list the time frames by day of the week, morning, and afternoon the tasks will be performed.

8.2 Contractor shall submit revised schedules when actual performance differs substantially from planned performance. Said revisions shall be submitted to the County Project Manager for review and approval within five (5) working days prior to scheduled time for work.

8.0 UNSCHEDULED WORK

8.1 The County Project Manager or his designee may authorize the Contractor to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third party negligence; or to add to, modify or refurbish existing facilities.

8.2 Prior to performing any unscheduled work, the Contractor shall prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds the Contractor's estimate, the County Project

Director or his designee must approve the excess cost. In any case, no unscheduled work shall commence without written authorization.

8.3 When a condition exists wherein there is imminent danger of injury to the public or damage to property, Contractor shall contact County's Project Director for approval before beginning the work. A written estimate shall be sent within twenty-four (24) hours for approval. Contractor shall submit an invoice to County's Project Director within five (5) working days after completion of the work.

8.4 All unscheduled work shall commence on the established specified date. Contractor shall proceed diligently to complete said work within the time allotted.

8.5 The County reserves the right to perform unscheduled work itself or assign the work to another Contractor.

9.0 MILESTONES AND DELIVERABLES

There are up to four work sites located within the Los Angeles area:

- 1000 S. Fremont Ave, Unit 51, Alhambra, CA 91803
- 9150 E. Imperial Hwy., Downey, CA 90242
- 320 W. Temple St., Suite 380, Los Angeles, CA 90012
- 350 S. Figueroa St., 8th Floor, Los Angeles, CA 90071

Professional services must be fixed-cost, payment by County-accepted milestones (not by individual deliverables). The list of project deliverables and milestones follows:

Milestone 1: Pre-Implementation Planning

Deliverable A: Conduct technical design session(s) with County's Project Team to review proposed solution, County requirements, County-provided infrastructure, and project plan.

Deliverable B: Provide County with system functional and operational requirements for continuous controls monitoring in a questionnaire format.

Milestone 2: Implementation Design and Planning

Deliverable A: Provide consulting services hours (i.e., on-site meetings, conference calls, presentations, etc.) to discuss design and implementation concerns and tasks with the County Project Team's technical staff.

Deliverable B: Provide documentation on the technical and operational recommendations, including the security plan and best practices that relate to the County's implementation. The security plan must document how the proposed design provides the County a secure implementation, identify any information security risks and vulnerabilities, and describe how those risks and vulnerabilities will be mitigated.

Deliverable C: Provide a Project Implementation Detail work plan (i.e., MS-Project or MS-Excel).

Deliverable D: Provide a Project Overview presentation slides (MS-PowerPoint).

Deliverable E: Present Project Overview to the County's Project Team including, but not limited to, the County Auditor-Controller's management and technical staff. A maximum of six (6) presentations will be required.

Deliverable F: Identify and document implementation success factors.

Milestone 3: Continuous Controls Monitoring Solution Implementation

Deliverable A: County's CCM implementation will require consulting services hours for on-site implementation support of proposed solution.

Deliverable B: Provide knowledge transfer to identified County technical staff that includes Deliverables 3A, 3B, and 3C.

Deliverable E: Documentation (Microsoft Word 2003/2007 format and printed) of installation, configuration, Visio topology diagrams, and consultant(s) notes.

Milestone 4: Implementation Assessment and Validation

Deliverable A: Provide consulting services hours (i.e., on-site meetings, conference calls, presentations, etc.) to discuss implementation concerns and issues.

Deliverable B: Reevaluate and document findings to the success factors.

Milestone 5: Continuous Controls Monitoring Production Implementation

Deliverable A: Provide consulting services hours for on-site implementation support.

Deliverable B: Provide any necessary consulting services hours to customize CCM solution for County. Users should feel that this is a County of Los Angeles solution.

Deliverable C: Provide picture-based quick-start user guide, customized for County, in editable Microsoft format (Microsoft Word, PowerPoint, etc.).

Deliverable D: Provide knowledge transfer to identified County technical staff.

Deliverable E: Identify and document implementation success factors.

Milestone 6: Implementation Assessment and Validation

Deliverable A: Provide consulting services hours (i.e., on-site meetings, conference calls, presentations, etc.) to discuss implementation concerns and issues.

Deliverable B: Reevaluate and document findings to the success factors.

Deliverable C: Provide a technical and operations assessment that includes recommendations for future improvements. The recommendations should be rated as high, medium, or low in terms of addressing changes that are critical/beneficial to the CCM solution.

Milestone 7: Technical Training

Deliverable A: Provide recommended formal, vendor-approved, on-site, technical training at County facilities.

BUSINESS AND TECHNICAL REQUIREMENTS

Proposers shall complete the following Business and Technical Requirements questionnaire for this Continuous Controls Monitoring (CCM) Request for Proposals (RFP). Proposers shall use the following coding to indicate how well their proposed CCM software solution meets each stated business and/or technical requirement:

| Code | Short Description | Detailed Description |
|-------------|--|---|
| F | Fully Meets | The proposed CCM software solution fully meets the business and/or technical requirement |
| C | Configuration needed to meet | The proposed CCM software solution will need to be configured to meet the business and/or technical requirement |
| M | Customization needed to meet | The proposed CCM software solution will need to be customized to meet the business and/or technical requirement |
| N | Feature to be available in next software version | The proposed CCM software solution currently does not meet the business and/or technical requirement, but this feature will be available in the next planned software version |
| U | Future software upgrade | The proposed CCM software solution currently does not meet the business and/or technical requirement, but this feature will be available in a future software version |
| N/A | Not Available or Not Planned | The proposed CCM software solution currently does not meet the business and/or technical requirement and this feature is not currently planned to be included |

Additionally, this questionnaire contains various narrative questions. Proposers shall provide detailed responses to each narrative question. If additional space is needed, please provide responses on a separate sheet(s) of paper and reference each answer to the appropriate question.

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|-----------------------------|--|---------------|
| General Requirements | | |
| 4.1 | Software shall be browser-based (Internet Explorer 7) | |
| 4.2 | Software shall test extracted, exported, or accessed transaction data at the source level using native, industry-standard formats | |
| 4.3 | Software shall be capable of monitoring for: <ul style="list-style-type: none"> • Segregation of Duties • Master Data Management • Application Configuration controls | |
| 4.4 | Software can be provided in downloadable electronic files. | |
| 4.5 | Software provides for ease of use for the users and managers. | |
| 4.6 | Software runs on VMware virtual servers running either Microsoft Windows Server or Red Hat Linux Enterprise operating systems. | |
| 4.7 | Software is compatible with Oracle database versions 10g and 11g. | |
| 4.8 | Software shall support XML for interfaces, as well as SQL. Proposer must describe any other interface formats contained in proposal. | |
| 4.9 | Software shall be capable of exporting data in standard formats, such as XML, CSV, and Text. Proposer must describe any other export file formats contained in proposal. | |
| 4.10 | Software shall provide security native to the system, including LDAP and/or role-based security. Proposer must describe any other security native to the system. | |
| 4.11 | Software shall be preconfigured for joining and relating disparate source data from Oracle and other sources, as required | |
| 4.12 | Software shall allow for flexibility in scheduling automatic audit testing based on a specific time, a recurring schedule, and/or a predefined business calendar..... | |
| 4.13 | Software shall allow County administrators and users to easily modify and view exception thresholds and tolerances | |
| 4.14 | Software shall allow County administrators to easily modify user access privileges and authorization profiles | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|--|--|---------------|
| 4.15 | Software shall be preconfigured to produce exception reports and capable of automatically publishing them to authorized users through the County intranet..... | |
| 4.16 | Using the County's organizational structure and roles, the system shall provide internal data and security controls to restrict access based on specified user identification to respect existing levels of security from source system. | |
| 4.17 | Using the County's organizational structure and access levels assigned to users, the system shall provide users the ability to view enterprise-wide results, specific levels of summarized results, specific analysis results, and drill down to specific details at the transaction level..... | |
| 4.18 | Software shall provide capability of displaying and printing customizable summary reports, and exporting entire reports or specific pages or sections of a report into Excel, Word, Access, XML, PDF, text files, and/or other formats | |
| 4.19 | Vendor shall provide an up-to-date user/training manual. Updates to the user/training manuals are included under maintenance. | |
| Procure to Pay Process Requirements | | |
| 4.20 | Identify transactions by employees that are a. Unauthorized to perform an activity b. Invalid employees c. Inactive employees | |
| 4.21 | Identify transactions with unauthorized, debarred, or suspicious Vendors by: a. Name..... b. Vendor/Customer Code | |
| 4.22 | Identify improper segregation of duties: a. As defined by County segregation point requirements. Duties/roles may include creation (entry), approval (authorization), adjustments (corrections), crediting, or supplier set-up within and across the areas of requisitioning, purchasing, receiving, invoicing, payment, and inventory b. For system administration or ERP Super-User access/modifications c. For hierarchical, or multi-level, approvals (overrides, increasing dollar value approvals, etc.)..... | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|-------------------|---|----------------------|
| 4.23 | Identify Split transactions for the purpose of overriding limits. <ul style="list-style-type: none"> a. Split requisition b. Split POs c. Split payments..... | |
| 4.24 | Identify duplicates (requisitions, POs, or payments)..... | |
| 4.25 | Identify unmatched quantities/dollar or mismatches <ul style="list-style-type: none"> a. Requisition versus PO..... b. PO versus Receipt c. Receipt versus Invoice d. Receipt versus Inventory..... e. PO-receipt-invoice versus approved payment..... f. Approved Payment versus Payment..... | |
| 4.26 | Identify improper authorizations of requisitions, POs, or invoice payments <ul style="list-style-type: none"> a. Authorized by inappropriate position/personnel..... b. Not authorized within established time requirements | |
| 4.27 | Identify where invoice holds or disputes are not resolved within specified time requirements | |
| 4.28 | Identify transaction sequences or timing anomalies for requisition-PO-receipt-invoice-payment cycle <ul style="list-style-type: none"> a. Out of sequence transactions b. Suspicious, unexpected, duplicate or non-sequential numbering of requisitions, PO's or receiving transactions c. Subsequent activity not performed within specified time requirements..... | |
| 4.29 | Identify where spending limits have been exceeded. | |
| 4.30 | Identify purchase of unauthorized or restricted items | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|-------------------|---|----------------------|
| 4.31 | Identify unusual or unexpected spending patterns or amounts <ul style="list-style-type: none"> a. Anomalies using Benford testing b. Inordinate year-end activity or adjustments c. Unusual transaction volume by Vendor d. Unusual transaction frequency by Vendor | |
| 4.32 | Identify potential vendor/employee associations <ul style="list-style-type: none"> a. Matching name..... b. Matching address..... c. Matching phone #..... d. Matching TIN/SSN | |
| 4.33 | Identify suspicious or unexpected data values or formats | |
| 4.34 | Identify suspicious or repetitive adjustments, credits or refunds | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|-------------------------------------|--|---------------|
| Purchasing Card Requirements | | |
| 4.35 | Identify transactions by employees that are: <ul style="list-style-type: none"> a. Unauthorized cardholders b. Invalid employees c. Inactive employees | |
| 4.36 | Identify unauthorized or deactivated card numbers | |
| 4.37 | Identify transactions with unauthorized or suspicious Vendors by: <ul style="list-style-type: none"> a. Name..... b. Vendor/Customer Code | |
| 4.38 | Identify improper segregation of duties: <ul style="list-style-type: none"> a. As defined by County segregation point requirements. Duties/roles may include creation (entry), approval (authorization), adjustments (corrections), crediting, or supplier set-up within and across the areas of requisitioning, purchasing, receiving, invoicing, and payment b. For system administration or ERP Super-User access/modifications c. For hierarchical, or multi-level, approvals (overrides, increasing dollar value approvals, etc.)..... | |
| 4.39 | Identify split transactions for the purpose of overriding limits: <ul style="list-style-type: none"> a. To override individual card limits..... b. Multiple cards to override maximum spending limits | |
| 4.40 | Identify duplicates: <ul style="list-style-type: none"> a. Duplicate cards b. Duplicate transactions, single card c. Duplicate transactions across cards | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|------------|--|---------------|
| 4.41 | Identify unmatched quantities/dollar or mismatches: <ul style="list-style-type: none"> a. Purchase versus receipt log..... b. Purchase versus bank report c. Purchase versus Approved Payment..... d. Approved Payment versus Payment..... | |
| 4.42 | Identify improper authorizations: <ul style="list-style-type: none"> a. Authorized by inappropriate position/personnel..... b. Not authorized within established time requirements | |
| 4.43 | Identify where payment holds or disputes are not resolved within specified time requirements..... | |
| 4.44 | Identify where spending limits have been exceeded | |
| 4.45 | Identify purchase of unauthorized or restricted items | |
| 4.46 | Identify unusual or unexpected spending patterns or amounts: <ul style="list-style-type: none"> a. Anomalies using Benford testing b. Inordinate year-end activity or adjustments c. Unusual transaction volume by Vendor d. Unusual transaction frequency by Vendor | |
| 4.47 | Identify potential vendor/employee associations: <ul style="list-style-type: none"> a. Matching name..... b. Matching address..... c. Matching phone #..... d. Matching TIN/SSN e. Matching bank account (for EFT/direct deposit vendors) | |
| 4.48 | Identify suspicious or unexpected data values or formats | |
| 4.49 | Identify suspicious or repetitive adjustments, credits, exchanges or refunds..... | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|-----------------------------|---|---------------|
| Payroll Requirements | | |
| 4.50 | Identify unauthorized payroll transactions: <ul style="list-style-type: none"> a. Invalid employee ID..... b. Inactive, ghost or duplicate employees through employee records and address match..... c. Out-of-expected employee ID numbering sequence or range..... d. Invalid or incorrect SSN | |
| 4.51 | Identify improper segregation of duties: <ul style="list-style-type: none"> a. As defined by County segregation point requirements. Duties/roles may include time entry, approval (authorization), adjustments (corrections), signoff, payroll batch preparation, payroll processing/disbursement, payroll distribution ... b. For system administration or ERP Super-User access/modifications | |
| 4.52 | Identify improper or suspicious payments based on start or termination dates..... | |
| 4.53 | Identify transactions with invalid or manually adjusted pay rates, deductions or allowances..... | |
| 4.54 | Check salary payment falls within employee salary range for specified class specification and that step advancements are within specified time frames and sequential | |
| 4.55 | Identify excessive or inappropriate overtime payment based on County policy | |
| 4.56 | Identify suspicious or excessive employee pay based on improper time entry in accordance with County policy | |
| 4.57 | Identify off-cycle or manual checks | |
| 4.58 | Identify unexpected or suspicious variations in payroll expense month to month and quarter to quarter, as well as comparing current payroll levels to budget and levels in prior years | |
| 4.59 | Identify unusual adjustments, such as excessive payments without deductions, large payroll reversals near year-end, etc | |
| 4.60 | Identify manual adjustments to payroll deductions, leave, or sick time accrual | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|------------------------------------|---|---------------|
| 4.61 | Identify unmatched quantities/dollar or mismatches <ul style="list-style-type: none"> a. Individual payroll and payment amount b. Net authorized payroll expense versus funds actually issued c. Payroll and post-payroll to the general ledger | |
| 4.62 | Identify payroll transactions with suspicious or unexpected level of deductions for taxes or Social Security. | |
| 4.63 | Identify payroll transactions with suspicious or unusually large increases | |
| 4.64 | Identify employees who have been absent for extended periods of time but still on the payroll. | |
| 4.65 | Identify duplicates: <ul style="list-style-type: none"> a. Employee Names, addresses, SSN..... b. Bank account, direct deposit information | |
| General Ledger Requirements | | |
| 4.66 | Identify invalid or unauthorized users: <ul style="list-style-type: none"> a. Posting b. Account creation/deletion c. Adjustments | |
| 4.67 | Identify improper segregation of duties: <ul style="list-style-type: none"> a. Duties/roles may include posting/entry, approval (authorization), adjustments (corrections), COA creation/modification b. For system administration or ERP Super-User access/modifications | |
| 4.68 | Identify split entries for the purpose of overriding limits. | |
| 4.69 | Identify duplicates (same account, same amount, etc.) | |
| 4.70 | Identify invalid postings, inappropriate account classifications..... | |
| 4.71 | Identify amounts exceeding specified limits or in non-compliance with County policy. | |
| 4.72 | Identify unusual or suspicious entries (even/round dollar, restricted keyword/descriptors, etc.) | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|--|--|----------------------|
| 4.73 | Identify frequent reversals or adjustments | |
| 4.74 | Identify unexpected weekend or holiday transactions | |
| 4.75 | Identify suspicious or improper closing period cutoff entries | |
| 4.76 | Identify suspicious or unexpected temporary/suspense account activity: <ul style="list-style-type: none"> a. Activity with specified time relevant to period end b. Inactivity or sustained balances | |
| Travel and Entertainment Expense Requirements | | |
| 4.77 | Identify transactions by employees that are <ul style="list-style-type: none"> a. Unauthorized cardholders b. Invalid employees c. Inactive employees | |
| 4.78 | Identify improper segregation of duties: <ul style="list-style-type: none"> a. Duties/roles may include travel requestor, approval (authorization), adjustments (corrections), validation/verification, disbursement, distribution b. For system administration or ERP Super-User access/modifications | |
| 4.79 | Identify duplicates (claims, payments, merchants) | |
| 4.80 | Identify improper authorizations for travel, reimbursement, or payment: <ul style="list-style-type: none"> a. Authorized by inappropriate position/personnel b. Not authorized within established time requirements | |

| <u>4.0</u> | <u>CCM System Requirements:</u> | <u>Coding</u> |
|-------------------|---|----------------------|
| 4.81 | Identify individual or aggregate claims exceeding specified limits or in non-compliance with County policy..... | |
| 4.82 | Identify claims/receipts for date when employee was inactive, or on time away from work (vacation, sick leave, etc.)..... | |
| 4.83 | Identify transactions with unauthorized, debarred, or suspicious Vendors by: a. Name..... b. Vendor/Customer Code | |
| 4.84 | Identify potential vendor/employee associations: a. Matching name..... b. Matching address..... c. Matching phone #..... d. Matching tax ID/SSN..... e. Matching bank account (for EFT/direct deposit vendors) | |
| 4.85 | Identify unmatched quantities/dollar or mismatches: a. Expense reported and receipts scanned | |

| | |
|-------------------------------|---|
| <u>4.0</u> | <u>Narrative Questions</u> |
| Ad-hoc Data Analytics | |
| 4.86 | Describe any desktop-based software recommended by vendor for ad-hoc data mining and data analysis to supplement web-based functionality..... |
| Response: | |
| Reporting Requirements | |
| 4.87 | Identify and describe the software's reporting tool..... |
| Response: | |
| 4.88 | Identify any and all pre-built reports and describe how reports are created, stored, and archived in the system. |
| Response: | |
| 4.89 | Describe how the system will integrate with COGNOS, the County's standard reporting tool |
| Response: | |

| | |
|---------------------------------------|---|
| <u>4.0</u> | <u>Narrative Questions</u> |
| Additional Controls Monitoring | |
| 4.90 | Describe any additional areas where vendor may provide controls, monitoring and business process enhancements |
| Response: | |
| 4.91 | Describe in detail the library of pre-built analytics available in the system and how they would be applied to CGI's Advantage Financials. The County's preference is for a CCM software solution that utilizes the software's existing controls library and requires minimal customization. Proposer must indicate how much time would be needed for customization and identify the associated costs |
| Response: | |
| 4.92 | Propose a detailed project timeline for this implementation and describe and propose an implementation and roll-out approach, e.g., phased vs. "all-at-once". |
| Response: | |
| 4.93 | Describe how the system will be configured to minimize false-positives. |
| Response: | |

| <u>4.0</u> | <u>Narrative Questions</u> |
|-------------------|---|
| 4.94 | Describe how system will be interfaced to non-CGI systems. |
| Response: | |
| 4.95 | Describe the system's capabilities to support cross- and mutli-platform transactions |
| Response: | |
| 4.96 | Describe the system's exception monitoring and remediation workflow capabilities. |
| Response: | |
| 4.97 | Describe the level and type of support vendor would provide, including how vendor would handle all updates, upgrades, forms and workarounds while under maintenance. |
| Response: | |
| 4.98 | Describe how software modules map to COSO standards for internal controls |
| Response: | |

| <u>4.0</u> | <u>Narrative Questions</u> |
|-------------------|---|
| 4.99 | Describe the application security provided for the system |
| Response: | |
| 4.100 | The Proposer must identify any third-party consultant who may assist Proposer with the integration of the CCM software to the County's CGI software and describe the third-party consultant's role in the integration. |
| Response: | |
| 4.101 | Describe the operating system and hardware platforms supported by the system |
| Response: | |

APPENDIX D

COST PROPOSAL SHEET

PROPOSER: _____

Software Licensing Costs

1. Software licenses for the application software
 - a. Purchase to Payment \$ _____
 - b. Purchase Cards \$ _____
 - c. Payroll \$ _____
 - d. General Ledger \$ _____
 - e. Accounts Payable \$ _____
 - f. Accounts Receivable \$ _____
 - g. Travel and Entertainment \$ _____
 - h. Other (*please specify*) \$ _____

2. Other Licenses \$ _____

Training, Software Support Maintenance & Others

1. Annual Maintenance per module
 - a. Purchase to Payment @ ___% x \$ _____ (license cost) = \$ _____
 - b. Purchase Cards @ ___% x \$ _____ (license cost) = \$ _____
 - c. Payroll @ ___% x \$ _____ (license cost) = \$ _____
 - d. General Ledger @ ___% x \$ _____ (license cost) = \$ _____
 - e. Accounts Payable @ ___% x \$ _____ (license cost) = \$ _____
 - f. Accounts Receivable @ ___% x \$ _____ (license cost) = \$ _____
 - g. Travel and Entertainment @ ___% x \$ _____ (license cost) = \$ _____

2. Training per module = \$ _____
 - a. Purchase to Payment \$ _____
 - b. Purchase Cards \$ _____

- c. Payroll \$ _____
- d. General Ledger \$ _____
- e. Accounts Payable \$ _____
- f. Accounts Receivable \$ _____
- g. Travel and Entertainment \$ _____

3. Other (*Please specify*): _____

Each module = \$ _____

Professional Services

1. Application and system software implementation & configuration services (Consultant services) per module

- a. Purchase to Payment \$ _____
- b. Purchase Cards \$ _____
- c. Payroll \$ _____
- d. General Ledger \$ _____
- e. Accounts Payable \$ _____
- f. Accounts Receivable \$ _____
- g. Travel and Entertainment \$ _____

Hourly Rate \$ _____

Total = \$ _____

All travel & misc. expenses included in the cost of the above items.

In addition, an amount of ten percent (10%) from payment of each deliverable will be withheld for deferred payment until the end of the project when the last deliverable is fully accepted by the County.

Software Licensing Costs (Future Phases):

Provide tier pricing for future phases. Additional licenses may be purchased based on funding availability and if deemed to be in the best interest of the County.

1 to 25 Licenses Each \$ _____

26 to 50 Licenses Each \$ _____

51 to 75 Licenses Each \$ _____

76 to 100 Licenses Each \$ _____

APPENDIX E
REQUIRED FORMS
TABLE OF CONTENTS

Exhibits

REQUIRED FORMS

- 1 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION
- 2 CERT. NO CONFLICT OF INTEREST LA CO. CODE 2.180.010
- 3 CHILD SUPPORT COMPLIANCE PROGRAM CERTIFICATION
- 4 FAMILIARITY OF THE COUNTY LOBBYIST ORDINANCE CERT
- 5 LA COUNTY COMMUNITY BUSINESS ENTERPRISE PROGRAM
- 6 PRINCIPAL OWNER INFORMATION FORM
- 7 PROPOSER'S EEO CERTIFICATION
- 8 ATTESTATION OF WILLINGNESS TO CONSIDER GAIN/GROW
PARTICIPANTS
- 9 JURY SERVICE PROGRAM - CERTIFICATION FORM AND
APPLICATION FOR EXCEPTION
- 10 PROSPECTIVE CONTRACTOR REFERENCES
- 11 PROSPECTIVE CONTRACTOR LIST OF CONTRACTS WITH
ALL PUBLIC ENTITIES WITHIN THE LAST 3 YEARS

REQUIRED FORMS - EXHIBIT 1

CERTIFICATION OF INDEPENDENT PRICE DETERMINATION

A. By submission of this Proposal, Proposer certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other Proposer or competitor for the purpose of restricting competition.

B. List all names and telephone number of person legally authorized to commit the Proposer.

NAME

PHONE NUMBER

NOTE: Persons signing on behalf of the Contractor will be required to warrant that they are authorized to bind the Contractor.

C. List names of all joint ventures, partners, subcontractors, or others having any right or interest in this contract or the proceeds thereof. If not applicable, state "NONE".

Name of Firm

Print Name of Signer

Title

Signature

Date

REQUIRED FORMS - EXHIBIT 2
CERTIFICATION OF NO CONFLICT OF INTEREST

The Los Angeles County Code, Section 2.180.010, provides as follows:

CONTRACTS PROHIBITED

Notwithstanding any other section of this Code, the County shall not contract with, and shall reject any proposals submitted by, the persons or entities specified below, unless the Board of Supervisors finds that special circumstances exist which justify the approval of such contract:

1. Employees of the County or of public agencies for which the Board of Supervisors is the governing body;
2. Profit-making firms or businesses in which employees described in number 1 serve as officers, principals, partners, or major shareholders;
3. Persons who, within the immediately preceding 12 months, came within the provisions of number 1, and who:
 - a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or
 - b. Participated in any way in developing the contract or its service specifications; and
4. Profit-making firms or businesses in which the former employees, described in number 3, serve as officers, principals, partners, or major shareholders.

Contracts submitted to the Board of Supervisors for approval or ratification shall be accompanied by an assurance by the department submitting, district or agency that the provisions of this section have not been violated.

Proposer Name

Proposer Official Title

Official's Signature

Cert. of No Conflict of Interest

REQUIRED FORMS - EXHIBIT 3

Revised 07/02/2001

CHILD SUPPORT COMPLIANCE PROGRAM CERTIFICATION

Los Angeles County Code Chapter 2.200 establishes the Los Angeles County Child Support Compliance Program. This Program requires the County to provide certain information to the Child Support Services Department (CSSD) concerning its employees and business licensees. It further requires that proposers for County contracts submit certifications of Program compliance to the soliciting County department along with their proposals. (In an emergency procurement, as determined by the soliciting County department, these certifications may be provided immediately following the procurement.)

IN ORDER TO COMPLY WITH THIS REQUIREMENT, COMPLETE THIS FORM AND SUBMIT IT DIRECTLY TO THE SOLICITING COUNTY DEPARTMENT ALONG WITH YOUR PROPOSAL. IN ADDITION, PROVIDE A COPY TO THE CSSD AT THE ADDRESS OR FAX NUMBER SHOWN BELOW. SOLE PRACTITIONER MEMBERS OF AN ASSOCIATION MUST COMPLETE AND SUBMIT INDIVIDUAL FORMS.

I, (print name as shown in Proposal) _____, hereby submit this certification to the (County department) _____, pursuant to the provisions of County Code Section 2.200.060, and hereby certify that (contractor or association name as shown in Proposal or proposal) _____, an independently-owned or franchiser-owned business (circle one), located at (contractor or, if an association, associated member address) _____ is in compliance with Los Angeles County's Child Support Compliance Program and has met the following requirements:

- 1) Submitted a completed Principal Owner Information Form to the Child Support Services Department;
- 2) Fully complied with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and/or California Unemployment Insurance Code Section 1088.5 and will continue to comply with such reporting requirements;
- 3) Fully complied with all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b) or pursuant to applicable provisions of the Uniform Interstate Family Support Act, and will continue to comply with such Orders or Notices.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this _____ day of _____ (Month and Year)

at:

(City/State)

(Telephone No.)

by:

(Signature of a principal owner, an officer, or manager responsible for submission of the proposal to the County.)

Copy to: Child Support Services Department
Special Projects
P.O. Box 911009
Los Angeles, CA 90091-1009
FAX: (323) 869-0634

Telephone: (323) 832-7277 or (323) 832-7276

REQUIRED FORMS - EXHIBIT 4

FAMILIARITY OF THE COUNTY LOBBYIST ORDINANCE CERTIFICATION

The Proposer certifies that it is familiar with the terms of the County of Los Angeles Lobbyist Ordinance, Los Angeles Code Chapter 2.160. The Proposer also certifies that all persons acting on behalf of the Proposer organization have and will comply with it during the proposal process.

Signature: _____ Date: _____

REQUIRED FORMS - EXHIBIT 5

LOS ANGELES COUNTY COMMUNITY BUSINESS ENTERPRISE (LAC/CBE) PROGRAM

| |
|--|
| CBE FIRM/ORGANIZATION INFORMATION |
|--|

INSTRUCTIONS: All Proposers responding to this solicitation must return this form for proper consideration of the proposal. The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR § 23.5.

- I. TYPE OF BUSINESS STRUCTURE: _____
 (Non-profit, Corporation, Partnership, Joint Venture, Sole Proprietorship, etc.)
 If you are a non-profit, please skip sections II through V, fill in the name of the firm, and sign the reverse side of this form.
- II. TOTAL NUMBER OF EMPLOYEES IN FIRM (including owners): _____
- III. CULTURAL/ETHNIC COMPOSITION OF FIRM (Partners, Associate Partners, Managers, Staff, etc.).
 Please break down the above total number of employees into the following categories:

| | OWNERS/PARTNERS/ ASSOCIATE PARTNERS | | MANAGERS | | STAFF | |
|-----------------------------------|--|--------|----------|--------|-------|--------|
| | Male | Female | Male | Female | Male | Female |
| Black/African American | | | | | | |
| Hispanic/Latin American | | | | | | |
| Asian American | | | | | | |
| American Indian/Alaskan Native | | | | | | |
| White | | | | | | |

- IV. PERCENTAGE OF OWNERSHIP IN FIRM: Please indicate by percentage (%) how ownership of the firm is distributed.

| | Black/African American | Hispanic/Latin American | Asian American | American Indian Alaskan Native | White |
|-------|---------------------------|----------------------------|-------------------|-----------------------------------|-------|
| Men | % | % | % | % | % |
| Women | % | % | % | % | % |

- V. CERTIFICATION AS MINORITY, WOMEN-OWNED, DISADVANTAGED AND DISABLED VETERANS BUSINESS ENTERPRISES: Is your firm currently certified as a minority, women-owned, disadvantaged or disabled veterans business enterprise by a public agency? (If yes, complete the following and attach a copy of your notice of certification).

M W D DV

Agency _____ Expiration Date _____

Agency _____ Expiration Date _____

LEGEND: M = Minority W = Women-Owned D = Disadvantaged DV = Disabled Veterans

(this form is two-sided)

CBE SANCTIONS

It is the policy of the County of Los Angeles Board of Supervisors that it is unlawful for any person to knowingly submit fraudulent information with the intent of receiving CBE certification and its concurrent benefits for which they are not entitled.

1. A person or business shall not:
 - a) Knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain, acceptance or certification as a minority or women business enterprise, or both, for the purpose of this article.
 - b) Willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the acceptance or certification or denial of acceptance or certification of any entity as a minority or women-owned business enterprise, or both.
 - c) Willfully and knowingly obstruct, impede, or attempt to obstruct or impede, any County official or employee who is investigating the qualifications of a business entity which has requested acceptance or certification as a minority or women business enterprise, or both.
 - d) Knowingly and with intent to defraud, fraudulently obtain, attempt or obtain, or aid another person or business in fraudulently obtaining or attempting to obtain, public moneys to which the person or business is not entitled under this article
2. Any person or business who violated paragraph (1) shall be suspended from proposing on, or participating as contractor, sub-contractor, or supplies in, any County contract or project for a period of three (3) years.
3. No County agency with the powers to award contracts shall enter into any contract with any person or business suspended for violating this section during the period of the person's or business' suspension. No awarding department shall award a contract to any contractor utilizing the services of any person or business as a sub-contractor suspended for violating this section during the period of the person's or business' suspension.

I acknowledge, that the undersigned, on behalf of himself or herself individually and on behalf of his or her business or organization, if any, is fully aware of the above policy of the County of Los Angeles and I declare under penalty of perjury that the foregoing Firm/Organization Information is true and correct.

Name of Firm

Signature Title

Date

REQUIRED FORMS - EXHIBIT 6
PRINCIPAL OWNER INFORMATION FORM

Los Angeles County Code Chapter 2.200 establishes the Los Angeles County Child Support Compliance Program. This Program requires the County to provide certain information to the Child Support Services Department (CSSD) concerning its employees and business licensees. It further requires that proposers for County contracts provide directly to the Child Support Services Department information concerning their "Principal Owners," that is, those natural persons who own an interest of 10 percent or more in the Contractor. For each "Principal Owner," the information which must be provided to the Child Support Services Department is: 1) the Principal Owner's name, 2) his or her title, and 3) whether or not the Contractor has made a payment of any sort to the Principal Owner.

IN ORDER TO COMPLY WITH THIS REQUIREMENT, COMPLETE THIS FORM AND SUBMIT IT DIRECTLY TO THE CSSD AT THE ADDRESS OR FAX NUMBER SHOWN BELOW ON OR BEFORE THE DATE YOU SUBMIT A PROPOSAL TO A COUNTY DEPARTMENT. MAINTAIN DOCUMENTATION OF SUBMISSION. SOLE PRACTITIONER MEMBERS OF AN ASSOCIATION MUST COMPLETE AND SUBMIT INDIVIDUAL FORMS.

In addition, proposers must certify to the soliciting County department that they are in full compliance with the Program requirements by submitting the Child Support Compliance Program Certification along with the bid or proposal.

To: Child Support Services Department
 Special Projects
 P.O. Box 911009
 Los Angeles, CA 90091-1009
FAX: (323) 869-0634

Telephone: (323) 832-7277 or (323) 832-7276

Contractor or Association Name as Shown on Bid or Proposal: _____

Contractor or Associated Member Name, if Contractor is an Association: _____

Contractor or Associated Member Address: _____

Telephone: _____ **FAX:** _____

County Department Receiving Bid or Proposal: _____

Type of Goods or Services To Be Provided: _____

Contract or Purchase Order No. (if applicable): _____

Principal Owners: Please check appropriate box. If box I is checked, no further information is required. Please sign and date the form below.

- I. No natural person owns an interest of 10 percent or more in this Contractor.
- II. Required principal owner information is provided below. (Use a separate sheet if necessary.)

| | <u>Name of Principal Owner</u> | <u>Title</u> | <u>Payment Received From Contractor</u> |
|----|--------------------------------|--------------|---|
| 1. | _____ | _____ | [YES] [NO] |
| 2. | _____ | _____ | [YES] [NO] |
| 3. | _____ | _____ | [YES] [NO] |

I declare under penalty of perjury that the foregoing information is true and correct.

By: _____ **Date:** _____
 (Signature of a principal owner, an officer, or manager responsible for submission of the bid or proposal to the County.)

 (Print Name)

 (Title/Position)

REQUIRED FORMS - EXHIBIT 7
CONTRACTOR'S EEO CERTIFICATION

Company Name

Address

Internal Revenue Service Employer identification Number

GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of American and the State of California.

| CERTIFICATION | YES | NO |
|---|------------|-----------|
| 1. Contractor has written policy statement prohibiting discrimination in all phases of employment. | () | () |
| 2. Contractor periodically conducts a self-analysis or utilization analysis of its work force. | () | () |
| 3. Contractor has a system for determining if its employment practices are discriminatory against protected groups. | () | () |
| 4. When areas are identified in employment practices, Contractor has a system for taking reasonable corrective action to include establishment of goal and/or timetables. | () | () |

Signature

Date

Name and Title of Signer (please print)

EEO CERTIFICATION

REQUIRED FORMS - EXHIBIT 8
ATTESTATION OF WILLINGNESS TO CONSIDER
GAIN/GROW PARTICIPANTS

As a threshold requirement for consideration for contract award, Proposer shall demonstrate a proven record for hiring GAIN/GROW participants or shall attest to a willingness to consider GAIN/GROW participants for any future employment opening if they meet the minimum qualifications for that opening. Additionally, Proposer shall attest to a willingness to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available, to assist these individuals in obtaining permanent employment and/or promotional opportunities.

Proposers unable to meet this requirement shall not be considered for contract award.

Proposer shall complete all of the following information, sign where indicated below, and return this form with any resumes and/or fixed price bid being submitted:

- A. Proposer has a proven record of hiring GAIN/GROW participants and will continue to consider GAIN/GROW participants for any future employment openings.

_____ YES _____ NO (subject to verification by County)

- B. Proposer is willing to consider GAIN/GROW participants for any future employment openings if the GAIN/GROW participant meets the minimum qualifications for the opening. "Consider" means that Proposer is willing to interview qualified GAIN/GROW participants.

_____ YES _____ NO

- C. Proposer is willing to provide employed GAIN/GROW participants access to its employee-mentoring program, if available.

_____ YES _____ NO _____ N/A (Program not available)

Proposer Organization: _____

Signature: _____

Print Name: _____

Title: _____ Date: _____

Tel.#: _____ Fax #: _____

GAIN/GROW ATTESTATION

REQUIRED FORMS - EXHIBIT 9

COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
CERTIFICATION FORM AND APPLICATION FOR EXCEPTION

The County's solicitation for this Invitation for Bid is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All bidders, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements.

Form with fields: Company Name, Company Address, City, State, Zip Code, Telephone Number, Solicitation For (Type of Goods or Services)

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program is Not Applicable to My Business

- My business does not meet the definition of "contractor," as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.
My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exception will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II: Certification of Compliance

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Form with fields: Print Name, Title, Signature, Date

REQUIRED FORMS - EXHIBIT 10
PROSPECTIVE CONTRACTOR REFERENCES

List three (3) and only three (3) References where the same or similar scope of services were provided in order to meet the Minimum Mandatory Requirements stated in this solicitation.

| | | | | |
|------------------------|-------------------------------|-----------------------|---------------------------|---------------------|
| 1. Name of Firm | Address of Firm | Contact Person | Telephone # () | Fax # () |
| Name or Contract No. | # of Years / Term of Contract | | Type of Service | Dollar Amt. |
| 2. Name of Firm | Address of Firm | Contact Person | Telephone # () | Fax # () |
| Name or Contract No. | # of Years / Term of Contract | | Type of Service | Dollar Amt. |
| 3. Name of Firm | Address of Firm | Contact Person | Telephone # () | Fax # () |
| Name or Contract No. | # of Years / Term of Contract | | Type of Service | Dollar Amt. |
| | | | | |

REQUIRED FORMS - EXHIBIT 11

PROSPECTIVE CONTRACTOR LIST OF CONTRACTS

List of government customers in the United States for which the Contractor has provided proposed software and service within the last three (3) years. Use additional sheets if necessary.

| | | | |
|-------------------------------------|-------------------------------|-----------------------|---------------------------|
| 1. Name of Firm Fax # | Address of Firm | Contact Person | Telephone # () |
| () | | | |
| Name or Contract No. Dollar Amt. | # of Years / Term of Contract | Type of Service | |
| <hr/> | | | |
| 2. Name of Firm # Fax # | Address of Firm | Contact Person | Telephone () |
| () | | | |
| Name or Contract No. Dollar Amt. | # of Years / Term of Contract | Type of Service | |
| <hr/> | | | |
| 3. Name of Firm # Fax # | Address of Firm | Contact Person | Telephone () |
| () | | | |
| Name or Contract No. Dollar Amt. | # of Years / Term of Contract | Type of Service | |
| <hr/> | | | |
| 4. Name of Firm # Fax # | Address of Firm | Contact Person | Telephone () |
| () | | | |
| Name or Contract No. Dollar Amt. | # of Years / Term of Contract | Type of Service | |
| <hr/> | | | |
| 5. Name of Firm # Fax # | Address of Firm | Contact Person | Telephone () |
| () | | | |
| Name or Contract No. Dollar Amt. | # of Years / Term of Contract | Type of Service | |

COUNTY OF LOS ANGELES POLICY ON DOING BUSINESS WITH SMALL BUSINESS

Forty-two percent of businesses in Los Angeles County have five or fewer employees. Only about four percent of businesses in the area exceed 100 employees. According to the Los Angeles Times and local economists, it is not large corporations, but these small companies that are generating new jobs and helping move Los Angeles County out of its worst recession in decades.

WE RECOGNIZE. . . .

The importance of small business to the County. . .

- in fueling local economic growth
- providing new jobs
- creating new local tax revenues
- offering new entrepreneurial opportunity to those historically under-represented in business

The County can play a positive role in helping small business grow. . .

- as a multi-billion dollar purchaser of goods and services
- as a broker of intergovernmental cooperation among numerous local jurisdictions
- by greater outreach in providing information and training
- by simplifying the bid/proposal process
- by maintaining selection criteria which are fair to all
- by streamlining the payment process

WE THEREFORE SHALL:

1. Constantly seek to streamline and simplify our processes for selecting our vendors and for conducting business with them.
2. Maintain a strong outreach program, fully-coordinated among our departments and districts, as well as other participating governments to: a) inform and assist the local business community in competing to provide goods and services; b) provide for ongoing dialogue with and involvement by the business community in implementing this policy.
3. Continually review and revise how we package and advertise solicitations, evaluate and select prospective vendors, address subcontracting and conduct business with our vendors, in order to: a) expand opportunity for small business to compete for our business; and b) to further opportunities for all businesses to compete regardless of size.
4. Insure that staff who manage and carry out the business of purchasing goods and services are well trained, capable and highly motivated to carry out the letter and spirit of this policy.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or
 - 6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 2 of 3

7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE

2.202.010 Findings and declarations.

The board of supervisors finds that, in order to promote integrity in the county's contracting processes and to protect the public interest, the county's policy shall be to conduct business only with responsible contractors. Determinations of contractor non-responsibility and contractor debarment shall be made in accordance with the procedures set forth in the ordinance codified in this chapter and implementation instructions issued by the auditor-controller. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.020 Definitions.

For purposes of this chapter, the following definitions apply:

A. "Contractor" means a person, partnership, corporation or other entity who has contracted with, or is seeking to contract with, the county to provide goods to, or perform services for or on behalf of, the county. A contractor includes a contractor, subcontractor, vendor, or any person or entity who or which owns an interest of 10 percent or more in a contractor, subcontractor or vendor.

B. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county.

C. "Debarment" means an action taken by the county which results in a contractor being prohibited from bidding upon, being awarded, and/or performing work on a contract with the county for a period of up to three years. A contractor who has been determined by the county to be subject to such a prohibition is "debarred."

D. "Department head" means either the head of a department responsible for administering a particular contract for the county or the designee of same.

E. "County" means the county of Los Angeles, any public entities for which the board of supervisors is the governing body, nonprofit corporations created by the county and any joint powers authorities that have adopted county contracting procedures.

F. "Contractor hearing board" means the persons designated to preside over contractor debarment hearings and make recommendations on debarment to the board of supervisors. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.030 Determination of contractor non-responsibility.

A. Prior to a contract being awarded by the county, the county may determine that a party submitting a bid or proposal is non-responsible for purposes of that contract. In the event that the county determines that a bidder/proposer is non-responsible for a particular contract, said bidder/proposer shall be ineligible for the award of that contract.

Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE

B. The county may declare a contractor to be non-responsible for purposes of a particular contract if the county, in its discretion, finds that the contractor has done any of the following: (1) committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the county or any other public entity, or engaged in a pattern or practice which negatively reflects on same; (2) committed an act or omission which indicates a lack of business integrity or business honesty; or (3) made or submitted a false claim against the county or any other public entity.

C. Before making a determination of non-responsibility pursuant to this chapter, the department head shall give written notice to the contractor of the basis for the proposed non-responsibility determination, and shall advise the contractor that a non-responsibility hearing will be scheduled on a date certain. Thereafter, the department head shall conduct a hearing where evidence on the proposed non-responsibility determination is presented. The contractor and/or attorney or other authorized representative of the contractor shall be afforded an opportunity to appear at the non-responsibility hearing and to submit documentary evidence, present witnesses and offer rebuttal evidence. After such hearing, the department head shall prepare a proposed decision, which shall contain a recommendation regarding whether the contractor should be found non-responsible with respect to the contract(s) at issue. A record of the hearing, the proposed decision and any recommendation shall be presented to the board of supervisors. The board of supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The board of supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the department head. A non-responsibility finding shall become final upon approval by the board of supervisors.

D. The decision by the county to find a contractor non-responsible for a particular contract is within the discretion of the county. The seriousness and extent of the contractor's acts, omissions, patterns or practices as well as any relevant mitigating factors may be considered by the county in determining whether a contractor should be deemed non-responsible. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.040 Debarment of Contractors.

A. The county may debar a contractor who has an existing contract with the county and/or a contractor who has submitted a bid or proposal for a new contract with the county.

B. The county may debar a contractor if the county finds, in its discretion, that the contractor has done any of the following: (1) violated any term of a contract with the county; (2) committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the county or any other public entity, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against the county or any other public entity.

C. Before making a debarment determination pursuant to this chapter, the department head shall give written notice to the contractor of the basis for the proposed debarment, and shall advise the

Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE

contractor that a debarment hearing will be scheduled on a date certain. The contractor hearing board shall conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or attorney or other authorized representative must be given an opportunity to appear at the debarment hearing and to submit documentary evidence, present witnesses, and offer rebuttal evidence at that hearing. After such hearing, the contractor hearing board shall prepare a proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred and, if so, the appropriate length of time for the debarment. A record of the hearing, the proposed decision and any recommendation shall be presented to the board of supervisors. The board of supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The board of supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the contractor hearing board. A debarment finding shall become final upon the approval of the board of supervisors.

D. The decision by the county to debar a contractor is within the discretion of the county. The seriousness and extent of the contractor's acts, omissions, patterns or practices as well as any relevant mitigating factors may be considered by the county in making any debarment decision. Upon a debarment finding by the board of supervisors, the county shall have the right, in its discretion, to determine the length that the contractor may be prohibited from bidding upon and being awarded a new contract with the county, which period may not exceed three years. In addition, upon a debarment finding by the board of supervisors, the county may, in its discretion, terminate any or all existing contracts the contractor may have with the county. In the event that any existing contract is terminated by the county, the county shall maintain the right to pursue all other rights and remedies provided by the contract and/or applicable law. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.050 Pre-emption.

In the event any contract is subject to federal and/or state laws that are inconsistent with the terms of the ordinance codified in this chapter, such laws shall control. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.060 Severability.

If any section, subsection, subpart or provision of this chapter, or the application thereof to any person or circumstances, is held invalid, the remainder of the provisions of this chapter and the application of such to other persons or circumstances shall not be affected thereby. (Ord. 2000-0011 § 1 (part), 2000.)

Print current list of Debarred Contractors from the Contract Database. List may be obtained by going to:

<http://camispnc.co.la.ca.us/contractsdatabase/reports/SpecializedReports.asp>

Click on 'Contractors' / click on 'Select a report' / select 'Debarred Contractors' / click on 'Go!'

IRS NOTICE 1015

(Obtain latest version from IRS website -
<http://ftp.fedworld.gov/pub/irs-pdf/n1015.pdf>)

Department of the Treasury
Internal Revenue Service
Notice 1015
 (Rev. October 2001)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

A change to note. Workers **cannot** claim the EIC if their 2001 investment income (such as interest and dividends) is over \$2,450.

Which Employees Must I Notify About the EIC? You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on **Form W-4**, Employee's Withholding Allowance Certificate.

Note: *You are encouraged to notify each employee whose wages for 2001 are less than \$32,121 that he or she may be eligible for the EIC.*

How and When Must I Notify My Employees? You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2002.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676. You can also get the notice from the IRS Web Site at www.irs.gov.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2001 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit.

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2001 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2001 and owes no tax but is eligible for a credit of \$791, he or she must file a 2001 tax return to get the \$791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2001 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15, Employer's Tax Guide.

SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The attached fact sheet is also available for printing purposes on the Internet at:

www.babysafela.org.

Certainly we would prefer that women seek help while they are pregnant, not after giving birth, to receive proper medical care and counseling. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in a hospital emergency room.

The California Safely Surrendered Baby Law:

Allows a distressed birth parent(s) to legally, confidentially, and safely surrender their baby

Provides a safe place for babies

Protects the parent(s) from arrest or prosecution for abandonment as long as the baby has not been abused or neglected

Does not require that names be given when the baby is surrendered

Permits parents to bring a baby within 3 days of birth to any hospital emergency room in California

In California, no one ever has to abandon a child again.



State of California
Gray Davis, Governor
Health and Human Services Agency
Grantland Johnson, Secretary
Department of Social Services
Rita Saenz, Director

TUB 400 (8/02)

**no shame.
no blame.
no names.**

**now there's a way
to safely surrender
your baby**



What is the Safely Surrendered Baby Law?

It's a new law. Under this law, a person may surrender their baby confidentially. As long as the baby has not been abused or neglected, the person may do so without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for an infant can legally, confidentially and safely surrender their baby within 3 days of birth. All that is required is that the baby be brought to a hospital emergency room in California. If there are additional places, they will be listed on the back of this brochure. As long as the child shows no signs of abuse or neglect, no name or other information is required. A bracelet will be placed on the baby for identification. A matching bracelet will be given to the parent. The bracelet will help connect the parent to the baby if the parent wants the baby back.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows another person to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week.

Does a parent have to tell anything to the people taking the baby?

No. Nothing is required. However, hospital personnel will give the parent a medical information questionnaire that is designed to gather family medical history. This could be very useful in caring for the child but it is up to the parent to complete it.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a foster or pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

What if a parent wants the baby back?

The parent(s) may take the bracelet back to the hospital. Hospital personnel will provide information about the baby.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being hurt or killed because they were abandoned.

You may have heard tragic stories of babies left in dumpsters or public toilets. The persons who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants.

Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

The Eighteenth Safely Surrendered Baby in California

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law.

This baby was the eighteenth child protected under California's Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed in a foster home for short-term care while the adoption process was started.

Every baby deserves a chance for a healthy life.

If you or someone you know is considering giving up a child, learn about your options.

**Los Angeles County
Safely
Surrendered
Baby
Hotline**



(877)BABY SAFE

Toll Free (877) 222-9723

- Call for Information on How to Safely Surrender a Newborn Infant Under the Safely Surrendered Baby Law
- Referrals Provided to Designated Safe Haven Sites
- Referrals Provided to Other Support Services

- Guaranteed Confidentiality
- 7 Days a Week
- 24 Hours a Day
- English and Spanish and 140 Other Languages Spoken



INFO LINE of Los Angeles has been in business since 1981.
INFO LINE of Los Angeles is an AIRS accredited agency.

Calls from the media should be directed to Thelma Bell or Michele Yoder at (626) 350-1841.

APPENDIX L

CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

_____, Business Associate

This Addendum to Purchase Order (Agreement) is entered into effective this ____ day of _____, 200_ (“Effective Date”), by and between County of Los Angeles Department of Health Services (“Covered Entity”), and _____, a _____ (“Business Associate”).

Under this Agreement, Contractor (“Business Associate”) provides services (“Services”) to County (“Covered Entity”) and Business Associate receives, has access to or creates Protected Health Information in order to provide those Services. Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information (“Privacy Regulations”) and the Health Insurance Reform: Security Standards (“the Security Regulations”) at 45 Code of Federal Regulations Parts 160 and 164 (“together, the “Privacy and Security Regulations”).

The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

DEFINITIONS

- 1.1 “Disclose” and “Disclosure” mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate’s internal operations or to other than its employees.
- 1.2 “Electronic Media” has the same meaning as the term “electronic media” in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private

networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

The term “Electronic Media” draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.

- 1.3 “Electronic Protected Health Information” has the same meaning as the term “electronic protected health information” in 45 C.F.R. § 160.103. Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.
- 1.4 “Individual” means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- 1.5 “Protected Health Information” has the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. “Protected Health Information” includes Electronic Health Information.
- 1.6 “Required By Law” means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.
- 1.7 “Security Incident” means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those

attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.

1.8 “Services” has the same meaning as in the body of this Agreement.

1.9 “Use” or “Uses” mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations.

1.10 Terms used, but not otherwise defined in this Paragraph shall have the same meaning as those terms in the HIPAA Regulations.

OBLIGATIONS OF BUSINESS ASSOCIATE

2.1 Permitted Uses and Disclosures of Protected Health Information. Business Associate:

(a) shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;

(b) shall Disclose Protected Health Information to Covered Entity upon request;

(c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

(i) Use Protected Health Information; and

(ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

2.2 Adequate Safeguards for Protected Health Information. Business Associate:

(a) Shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Paragraph. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation’s minimum necessary standard.

(b) effective as of April 20, 2005, specifically as to Electronic Health Information, shall implement and maintain administrative, physical, and technical safeguards that

reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information.

2.3 Reporting Non-Permitted Use or Disclosure and Security Incidents. Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement, as well as, effective as of April 20, 2005, each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the Departmental Privacy Officer, telephone number 1(800) 711-5366 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple ST.
Suite 525
Los Angeles, CA 90012

2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph.

2.5 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from

Covered Entity.

2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a “designated record set” as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

2.8 Accounting of Disclosures. Upon Covered Entity’s request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors.

[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity’s payment or health care operations activities: However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]

Any accounting provided by Business Associate under this Section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Section 2.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

OBLIGATION OF COVERED ENTITY

3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate’s performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

TERM AND TERMINATION

4.1 Term. The term of this Paragraph shall be the same as the term of this Agreement. Business Associate’s obligations under Sections 2.1 (as modified by Section 4.2), 2.3, 2.4, 2.5, 2.6,

2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.

4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

(a) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

(b) Immediately terminate this Agreement if Business Associate has breached a material term of this Paragraph and cure is not possible; or

(c) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information Upon Termination or Expiration.

(a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

MISCELLANEOUS

5.1 No Third Party Beneficiaries. Nothing in this Paragraph shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute

a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph.

5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Paragraph is contrary to a another provision of this Agreement, the provision of this Paragraph shall control. Otherwise, this Paragraph shall be construed under, and in accordance with, the terms of this Agreement.

5.4 Regulatory References. A reference in this Paragraph to a section in the Privacy or Security Regulations means the section as in effect or as amended.

5.5 Interpretation. Any ambiguity in this Paragraph shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

5.6 Amendment. The parties agree to take such action as is necessary to amend this Paragraph from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum effective as of the date stated above.

Business Associate:

CLIENT:

Company Name

COUNTY OF LOS ANGELES

Print Name: _____

By: _____

Sign: _____

Title: _____

Title: _____

Dated: _____

Dated: _____