



DAVID SANDERS, Ph.D.
Director

County of Los Angeles DEPARTMENT OF CHILDREN AND FAMILY SERVICES

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

April 20, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST TO APPROVE CASE STORAGE AND RETRIEVAL SERVICES
CONTRACT WITH GRM INFORMATION MANAGEMENT SERVICES OF
CALIFORNIA, LLC
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that services provided under the attached Proposition A (Prop A) Contract continue to be more economically performed by Contractor than by County employees (Attachment A, Prop A Analysis).
2. Approve and instruct the Chair to sign the attached contract (Attachment B) with Guarantee Records Management Information Management Services of California, LLC (GRM) for provision of case storage and retrieval services effective date of Board approval through January 31, 2005, with two one-year extension options (February 1, 2005 through January 31, 2006 and February 1, 2006 through January 31, 2007). The cost of the Contract from the date of Board approval through January 31, 2005 is \$208,791. The cost of each additional one-year extension is \$278,388. The maximum contract amount, if all options are exercised, is \$765,567. The cost of the Contract will be financed using 55% (\$421,062) federal revenue, 32% (\$244,981) State revenue, and 13% (\$99,524) net County cost. Sufficient funding is included in the FY 2003-04 Adopted Budget and the Department of Children and Family Services (DCFS) FY 2004-05 Budget Request.

Board of Supervisors

GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

3. Delegate authority to the Director of DCFS, or his designee, to exercise the two one-year extension options after Chief Administrative Office (CAO) approval.
4. Delegate authority to the Director of DCFS, or his designee to execute amendments to increase or decrease the maximum contract amount by no more than 10% of the original maximum contract amount if necessary to accommodate an increased or decreased service need provided: (a) sufficient funding is available; (b) County Counsel and CAO approval is obtained prior to executing the amendment; and (c) the Director of DCFS notifies the Board and the CAO in writing within ten workdays of execution of the amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The current contract for case storage and retrieval services expires on April 30, 2004. The recommended actions will enable the department to continue receiving case storage and retrieval services, ensuring that files are readily available to social workers, attorneys, the juvenile court and others who work with children under court supervision. Without the approval of the recommended action, case storage and retrieval services will not be available to DCFS after April 30, 2004.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan Goal 3, Organizational Effectiveness and Goal 5, Children and Families' Well-Being. Case file storage and retrieval services provided under this Contract will continue to ensure that vital records and documents are available to DCFS, attorneys, and the juvenile court to make informed decisions in regard to the health and safety of the children we serve.

FISCAL IMPACT/FINANCING

The Contract will be financed using 55% federal revenue, 32% State revenue and 13% net County cost. The cost of the Contract from date of Board approval through January 31, 2005 will be \$208,791 (\$114,835 federal, \$66,813 State, and \$27,143 County). The total cost of the Contract if both one-year extension options are exercised will be \$765,567 (\$421,062 federal, \$244,981 State, and \$99,524 County). For each of the respective fiscal years, DCFS' budget will include the following funding for these services: FY 2003-04 (\$46,398), FY 2004-05 (\$278,388), FY 2005-06 (\$278,388), and FY 2006-07 (\$162,393).

In addition to the Contract costs, a one-time detailed inventory set-up fee of \$15,000 will be incurred. A purchase order will be used to purchase this service. Although this cost is not included in the Contract cost, it was included in the Prop A analysis to determine whether contracting the function out is cost effective.

The gross savings resulting from contracting the case storage and retrieval function out will be \$43,199 annually and \$118,798 over the life of the contract. The savings to the County will be \$5,615 annually and \$15,444 over the life of the contract.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The current case storage and retrieval services contract with File Keepers, LLC was approved by your Board on January 9, 2001, and was to expire on January 28, 2004. On January 20, 2004, your Board approved a three-month extension (January 29, 2004, through April 30, 2004) to avoid an interruption in services pending completion of a competitive solicitation process.

The Contract incorporates language currently required in all County contracts including notification of the Safely Surrendered Baby Law. The Contract expressly provides that the County has no obligation to pay for expenditures beyond the maximum contract amount. Further, the contractor will not be asked to perform services that exceed the contract amount, scope of work, or contract dates.

Auditor-Controller approval of the Prop A cost analysis is not required since the Contract amount is less than \$1 million; however, the CAO did approve the analysis.

This Board letter and Contract have been reviewed and approved by County Counsel and CAO.

CONTRACTING PROCESS

DCFS released a Request for Proposals (RFP) on December 2, 2003, to select a contractor to provide case storage and retrieval services. The solicitation process included advertisements in various newspapers, the County of Los Angeles website as well as notifying those entities on the Department's bidders list.

Of the ten potential Proposers that requested and received copies of the RFP, three submitted proposals by the due date of January 6, 2004. The proposals were evaluated and GRM was the highest scoring Proposer.

Despite its submission of the lowest cost proposal, Iron Mountain Records Management (IMRM) did not receive the highest score. As required under section 5.2.4 of the RFP, IMRM lost scoring points because they requested material changes in the Terms and Conditions included in the Sample Contract. This resulted in IMRM receiving the second highest score.

Two protests were received and reviewed by a panel, which consisted of one DCFS employee and one employee from the Department of Public Social Services. GRM continued to hold the highest score after the protest process and is, therefore, recommended to provide case storage and retrieval services.

DCFS has evaluated and determined that the contractor fully complies with the requirements of the Living Wage Program and continues to pay a living wage to its full-time employees who provide the County services.

The Contractor will not receive a cost-of-living adjustment during the term of the Contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow for the continuation of case storage and retrieval services for DCFS effective upon Board approval through January 31, 2007.

CONCLUSION

Upon approval by the Board of Supervisors, it is requested that the Executive Officer/Clerk of the Board send a copy of the adopted Board letter and attachments to:

1. Department of Children and Family Services
Attention: Walter Chan, Manager
425 Shatto Place, Room 400
Los Angeles, CA 90020
2. Office of the County Counsel, Children's Services
Attention: Kathy Bramwell, Senior Deputy County Counsel
201 Centre Plaza Drive
Monterey Park, CA 91754

Respectfully submitted,

SIGNATURE ON FILE

DAVID SANDERS, Ph.D.
DIRECTOR

DS:WC
RML:lm

Attachments (2)

- c: Chief Administrative Officer
County Counsel

CASE STORAGE PROPOSITION A ANALYSIS
For the Period - Date of Board Approval through April, 2007

ATTACHMENT A

	Item Number	Monthly Salary	Number of Pos.	Year 1
DIRECT COST:				
<u>Salaries & EBs</u>				
Supervising Clerk	1174	2,801.36	1	33,616
Intermediate Typist-Clerk	2214	2,548.09	3	91,731
Total Gross Salaries			4	125,347
Less Salary Savings @ 5%				(6,267)
Adjusted Salaries				119,080
Add Employee Benefits @ 30%				35,724
Total Salaries & EBs				154,804
<u>Services & Supplies</u>				
<u>One Time Only Needs</u>				
Inventory Tracking, Control and Transfer (75,000 boxes)- (1)				13,636
Personal Computer (4 @ \$2,774 each; includes Monitor and Printer) -(1)				4,035
Fax Machines (1 @ \$1,500 each)- (1)				545
Shelving and Tenant Improvements (\$4 per square ft.) -(1)				18,807
Office Furniture (4 Desks, 12 Chairs) -(1)				2,570
Warehouse Equipment (4 Dolly/Carts, 20 Bins/Crates, 4 Back Supports Harness/Belts) -(1)				1,447
Sub-Total One Time Needs				41,040
<u>Ongoing Needs</u>				
Telephone (\$70/FTE per month)				3,360
Computer Support - Excess User ID (\$85/FTE per month)				4,080
General Office Supplies (\$75/FTE per month)				3,600
Office and Warehouse Utilities (total sq. ft. x \$0.035)				5,431
Warehouse Supplies (Boxes, Dust Masks and Latex Gloves)				2,568
Fire and Security Equipment and Monitoring (24x7 by Securitas @ \$250 per month) -(2)				3,000
Office Space (200 sq. ft. @ 1.35/sq. ft./FTE per month)				12,960
Warehouse Space (12,930 sq. ft. @ \$0.62/sq. ft. per month)				96,199
Sub-Total Ongoing Needs				131,198
Total Services & Supplies				172,238
Total Direct Cost				327,042
Total Estimated Actual Avoidable Costs				327,042
Annual Contract Amount (12 month average)				278,388
Annual Cost of Purchase Order for One-Time Inventory Setup Fee-(3)				5,455
Total Contracted Amount				283,843
Annual Contract Savings/(Deficit)				43,199

- (1) The total cost was allocated over the term of the contract.
(2) Projected Annual Contract Cost for Fire/Security Services by Securitas (formerly Burns Pinkerton Security).
(3) One-time inventory set-up will be handled via a purchase order and is, therefore, not included in the contract amount. The fee of \$15,000 will be allocated monthly over the life of the contract.

	Total	Subvention Fed/St (87%)	County (13%)
12 Months Avoidable Cost	327,042	284,527	42,515
12 Months Anticipated Agreement Cost (3)	283,843	246,943	36,900
12 Months Contract Savings/(Deficit)	43,199	37,584	5,615
Contract Term Avoidable Cost	899,366	782,448	116,918
Contract Term Anticipated Agreement Cost (3)	780,568	679,094	101,474
Contract Term Savings/(Deficit)	118,798	103,354	15,444



CASE STORAGE AND RETRIEVAL SERVICES

CONTRACT

BETWEEN

THE COUNTY OF LOS ANGELES

AND

GRM INFORMATION MANAGEMENT SERVICES OF CALIFORNIA, LLC

May 2004

TABLE OF CONTENTS

Section	Page
1.0 APPLICABLE DOCUMENTS AND DEFINED TERMS	2
2.0 CONTRACTOR'S WORK	3
3.0 TERM AND TERMINATION	4
4.0 CONTRACT SUM	4
5.0 PAYMENTS AND INVOICES	5
6.0 RECORDS AND AUDITS	7
7.0 AUDIT SETTLEMENT	9
8.0 INDEMNIFICATION	9
9.0 GENERAL INSURANCE REQUIREMENTS	9
10.0 INSURANCE COVERAGE REQUIREMENTS:	11
11.0 NOTICES	12
12.0 CHANGES AND AMENDMENTS	13
13.0 ASSIGNMENT/DELEGATION OF RIGHTS	14
14.0 SUBCONTRACTING	15
15.0 INDEPENDENT CONTRACTOR STATUS	16
16.0 COVENANT AGAINST CONTINGENT FEES	16
17.0 DISCLOSURE OF INFORMATION	17
18.0 COMPLIANCE WITH APPLICABLE LAWS	17
19.0 COMPLIANCE WITH CIVIL RIGHTS LAWS	18
20.0 NON-DISCRIMINATION IN EMPLOYMENT	18
21.0 CLIENT GRIEVANCES	19
22.0 EVENTS OF DEFAULT	20
23.0 TERMINATION FOR CONTRACTOR'S DEFAULT	20
24.0 TERMINATION FOR IMPROPER CONSIDERATION	21
25.0 TERMINATION FOR CONVENIENCE	22
26.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT	23
27.0 LIMITATION OF COUNTY'S OBLIGATION DUE TO NON-APPROPRIATION OF FUNDS	24
28.0 CONFLICT OF INTEREST	24
29.0 EMPLOYEE BENEFITS AND TAXES	25
30.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT	25
31.0 CONFIDENTIALITY	25
32.0 CONTRACT ENFORCEMENT, QUALITY ASSURANCE PLAN, MONITORING, AND REVIEW	26
33.0 EMPLOYMENT ELIGIBILITY VERIFICATION	27
34.0 CRIMINAL CLEARANCES	27
35.0 CHILD SUPPORT COMPLIANCE PROGRAM	29
36.0 FORMER FOSTER YOUTH CONSIDERATION	30
37.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS	31

38.0	CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT	31
39.0	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE	33
40.0	NOTICE OF DELAYS	33
41.0	USE OF RECYCLED-CONTENT PAPER	33
42.0	PROPRIETARY RIGHTS	33
43.0	FIXED ASSETS	35
44.0	CHILD ABUSE PREVENTION REPORTING	35
45.0	COMMUNITY BUSINESS ENTERPRISES PROGRAM.....	35
46.0	AUTHORIZATION WARRANTY	36
47.0	DISPUTE RESOLUTION PROCEDURE	36
48.0	COMPLIANCE WITH JURY SERVICE PROGRAM	37
49.0	MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN.....	38
50.0	COMPLIANCE WITH LIVING WAGE PROGRAM.....	38
51.0	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW	45
52.0	CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW.....	45
53.0	INTERPRETATION OF CONTRACT	45

Exhibit A	-Statement of Work
Exhibit A1	-Performance Requirements Summary
Exhibit A2	-Contract Discrepancy Report
Exhibit B	-Pricing Schedule
Exhibit B1	-Line Item Budget
Exhibit C	-Certification of Independent Price Determination
Exhibit D	-Contractor's Equal Employment Opportunity (EEO) Certification
Exhibit E	-Los Angeles County Community Business Enterprise Form (CBE)
Exhibit F	-Employee Acknowledgment and Confidentiality Agreement
Exhibit G	-Non-Employee Acknowledgment and Confidentiality Agreement
Exhibit H	-Auditor-Controller Contract Accounting and Administration Handbook
Exhibit I	-Child Support Compliance Program Certification
Exhibit J	-Internal Revenue Service Notice 1015
Exhibit K	-County of Los Angeles Policy on Doing Business with Small Business
Exhibit L	-Copy of Los Angeles County Code for Jury Service
Exhibit M	-County of Los Angeles Contractor Employee Jury Service Program – Application for Exception and Certification Form
Exhibit N	-Safely Surrendered Baby Law Fact Sheet
Exhibit O	- Living Wage Program and Contractor Non-Responsibility Debarment Acknowledgement and Statement of Compliance
Exhibit P	- Labor/Payroll/Debarment History
Exhibit Q	- Contractor Living Wage Declaration
Exhibit R	- Living Wage Program Application for Exemption
Exhibit S	- Model Contractor Staffing Plan

- Exhibit T - Employee Health Care Plan
- Exhibit U - Guideline for Assessment of Proposer Labor Law/Payroll Violations
- Exhibit V - Notice to Employees – County of Los Angeles Living Wage Ordinance

CONTRACT

FOR

CASE STORAGE AND RETRIEVAL SERVICES FOR THE COUNTY OF LOS ANGELES – DEPARTMENT OF CHILDREN AND FAMILY SERVICES (hereinafter referred to as “Contract”).

This Contract is made and entered into this ____ day of _____ 2004, by and between

County of Los Angeles
hereinafter referred to as
“COUNTY”

and

GRM INFORMATION MANAGEMENT
SERVICES OF CALIFORNIA, LLC

hereinafter referred to as
“CONTRACTOR”.

WITNESSETH

WHEREAS, pursuant to Los Angeles County Code Sections 2.121.250 et seq., COUNTY is permitted to contract with private business when, COUNTY determines that the services can be performed more economically by a CONTRACTOR than by COUNTY employees, and

WHEREAS, CONTRACTOR has submitted an offer to COUNTY for provision of such services and based on competitive sealed bidding under Los Angeles County Code section 2.121.320, CONTRACTOR has been selected for recommendation for award of this Contract, and

WHEREAS, pursuant to Government Code Sections 26227, 31000 and 53703, COUNTY is permitted to contract for services, and

WHEREAS, the COUNTY desires to receive case storage and retrieval services; and

WHEREAS, this Contract is in accordance with the requirements of Proposition A, passed by COUNTY voters in 1978, which permits the COUNTY to contract with independent Contractors where it is more cost effective or feasible to do so. Award of any resulting Contract will be made by the Los Angeles County Board of Supervisors pursuant to Los Angeles County Code Chapter 2.121 et seq.

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto and each of them do agree as follows:

1.0 APPLICABLE DOCUMENTS AND DEFINED TERMS

- 1.1 This Contract, and the Exhibits hereto, constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous Contracts, written or oral, and all other communications between the parties relating to the subject matter of this Contract.
- 1.2 Exhibits A, A1, A2, B, B1, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U and V set forth below are attached to and incorporated by reference in this Contract.
- 1.3 In the event of any conflict in the definition or interpretation of any word, responsibility, service, schedule, or contents of a deliverable product between this Contract and Exhibits, or among Exhibits, said conflict or inconsistency shall be resolved by giving precedence first to the Contract, and then to the Exhibits according to the following priority:

Exhibit A	-Statement of Work
Exhibit A1	-Performance Requirements Summary
Exhibit A2	-Contract Discrepancy Report
Exhibit B	-Pricing Schedule
Exhibit B1	-Line Item Budget
Exhibit C	-Certification of Independent Price Determination
Exhibit D	-Contractor's Equal Employment Opportunity (EEO) Certification
Exhibit E	-Los Angeles County Community Business Enterprise Form (CBE)
Exhibit F	-Employee Acknowledgment and Confidentiality Agreement
Exhibit G	-Non-Employee Acknowledgment and Confidentiality Agreement
Exhibit H	-Auditor-Controller Contract Accounting and Administration Handbook
Exhibit I	-Child Support Compliance Program Certification
Exhibit J	-Internal Revenue Service Notice 1015
Exhibit K	-County of Los Angeles Policy on Doing Business with Small Business
Exhibit L	-Copy of Los Angeles County Code for Jury Service
Exhibit M	-County of Los Angeles Contractor Employee Jury Service Program – Application for Exception and Certification Form
Exhibit N	-Safely Surrendered Baby Law Fact Sheet

- Exhibit O - Living Wage Program and Contractor Non-Responsibility Debarment Acknowledgement and Statement of Compliance
- Exhibit P - Labor/Payroll/Debarment History
- Exhibit Q - Contractor Living Wage Declaration
- Exhibit R - Living Wage Program Application for Exemption
- Exhibit S - Model Contractor Staffing Plan
- Exhibit T - Employee Health Care Plan
- Exhibit U - Guideline for Assessment of Proposer Labor Law/Payroll Violations
- Exhibit V - Notice to Employees – County of Los Angeles Living Wage Ordinance

1.4 CONTRACTOR and COUNTY agree that the following terms, as used in this Contract, shall have the following meanings:

- A. “day” or “day(s)” whether singular or plural, whether with initial letter capitalized or not, shall mean calendar days, and not business or work day, unless otherwise specifically stated;
- B. “DCFS” means COUNTY’s Department of Children and Family Services;
- C. “COUNTY’s Director” means COUNTY’s Director of Children and Family Services or his or her authorized designee;
- D. “Fiscal Year(s)” means COUNTY’s Fiscal Year which commences July 1 and ends the following June 30;
- E. “County Program Manager” means the COUNTY representative responsible for daily management of contract operation and overseeing monitoring activities;
- F. “Project” means the work to be performed by CONTRACTOR as defined in Exhibit A, Statement of Work;
- G. “Subcontract” means a contract by which a third party agrees to provide services or materials necessary to fulfill an original contract.

2.0 CONTRACTOR’S WORK

2.1 Pursuant to the provisions of this Contract, CONTRACTOR shall provide COUNTY with case storage and retrieval services as defined herein and as more fully set forth in Exhibit A, Statement of Work. CONTRACTOR warrants that it possesses the competence, expertise and personnel necessary to provide such services.

2.2 If the CONTRACTOR provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the CONTRACTOR, and the CONTRACTOR shall have no claim whatsoever against the COUNTY.

3.0 TERM AND TERMINATION

- 3.1 The term of this Contract shall commence upon date of approval by COUNTY's Board of Supervisors, hereinafter referred to as the "Board", and shall continue through January 31, 2005, unless terminated earlier as provided herein. The COUNTY shall have the option to extend the term of the Contract for two additional one-year options from February 1, 2005 through January 31, 2006 and February 1, 2006 through January 31, 2007.
- 3.2 The term of this Contract may be extended beyond the stated expiration date, for up to two (2) additional 12-month periods, by the Director, or his designee, after Chief Administrative Office approval, by written notice to CONTRACTOR as stated in section 11.1, 30 days prior to the expiration of the then contract term. During such extended periods, CONTRACTOR shall continue to provide services in the form and at the levels as described herein.
- 3.3 Contractor shall notify the Department when this Contract 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 DCFS at the address herein provided in Section 11.0, Notices.

4.0 CONTRACT SUM

- 4.1 COUNTY and CONTRACTOR agree that this is a firm-fixed price contract. During the term of this Contract, COUNTY shall compensate CONTRACTOR for the services set forth in Exhibit A, Statement of Work, and at the rate of compensation set forth in Exhibit B, Pricing Schedule.
- 4.2 The total amount payable under this Contract shall not exceed \$765,567, hereinafter referred to as "Maximum Contract Sum". The maximum amount payable during the nine-month period from May 1, 2004 through January 31, 2005 of this Contract is \$208,791. The maximum amount payable during each additional contract year for the term of this Contract shall not exceed \$278,388, hereinafter referred to as "Maximum Annual Contract Sum".
- 4.3 CONTRACTOR has prepared and submitted to COUNTY a budget segregating direct and indirect costs and profit for the work to be performed by CONTRACTOR under this Contract, hereinafter referred to as "Budget". Budgeted expenses shall be reduced by applicable CONTRACTOR revenues which are identified thereon. The line items shall provide sufficient detail to determine the quality and quantity of services to be delivered. This Budget is attached hereto and incorporated by reference herein as Exhibit B1, Line Item Budget. CONTRACTOR represents and warrants that the Budget is true and correct in all respects, and services shall be delivered hereunder in accordance with the Budget.

In the event the Maximum Contract Sum is increased pursuant to Section 12.0, Changes and Amendments, hereof, CONTRACTOR shall prepare and submit an amended Budget.

5.0 PAYMENTS AND INVOICES

- 5.1 CONTRACTOR shall be paid for services provided on a monthly basis.
- 5.2 CONTRACTOR shall submit an invoice in arrears for services rendered in the previous month. All invoices should be received within thirty (30) days of the last day of the previous month but may be received later than thirty (30) days, at COUNTY's sole discretion, as long as sufficient funds remain available under the Contract. All such services rendered by CONTRACTOR shall be paid in accordance with Exhibit B, Pricing Schedule.
- 5.3 Expenditures made by CONTRACTOR in the operation of this Contract shall be in compliance and in conformity with Office of Management and Budget (OMB) Circular A-122 to the extent applicable, and the line item budget categories of Exhibit B1, Line Item Budget.
- 5.4 CONTRACTOR shall submit the original monthly invoice to the DCFS Finance Office ("Finance Division") and one copy to the County Program Manager ("CPM") for review and approval.

CONTRACTOR shall send original invoices to be approved to:

County of Los Angeles
Department of Children and Family Services
Attention: Head, Contract Accounting Section
425 Shatto Place, Room 204
Los Angeles, California 90020

And a duplicate copy of the invoices to:

Virpi Sidler, County Program Manager
County of Los Angeles
Department of Children and Family Services
425 Shatto Place, Room 306
Los Angeles, California 90020

- 5.5 Upon receipt of CONTRACTOR's monthly invoice, Finance staff shall forward the invoice to the CPM, or designee, for review and approval. The CPM, or designee, shall review the detailed charges to ensure charges are in accordance with the Contract terms and that invoiced services have been received.
- 5.6 Upon approval of the monthly invoice, the CPM, or designee, shall forward the invoice to Finance Division for payment.

- 5.7 The final invoice for each of the annual contract periods shall be submitted by Contractor to the Finance Division, Attention: Head, Contract Accounting Section, within 60-days after the termination of the annual contract period. In the event that this cannot be complied with, an explanation indicating the reason, estimated reimbursement amount and expected date of submission of the final invoice shall be communicated in writing by Contractor to the Head, Contract Accounting Section with a copy to the CPM within the 60-day time frame.
- 5.8 Payment to CONTRACTOR will be made in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Contract. COUNTY shall attempt to authorize payment within thirty (30) days following receipt of invoice, provided that all work performed during the preceding month has been reviewed, accepted, signed and dated by the CPM or designee. COUNTY has no obligation to pay for any work except those services expressly authorized by this Contract.
- 5.9 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide its Tax Identification Number to the Department of Children and Family Services, Contracts Administration (as set forth in Section 11.1 herein), within five (5) working days after acceptance of the Contract award. No payment under this Contract will be made if CONTRACTOR has no Tax Identification Number on file with DCFS Contracts Administration.
- 5.10 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Overpayment received by CONTRACTOR, as determined by CPM, or designee, shall be returned to COUNTY by CONTRACTOR within thirty (30) days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR. Notwithstanding any other provision of this Contract, CONTRACTOR shall return to COUNTY any and all payments which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR shall return said payments within thirty (30) days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever date is earlier.
- 5.11 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.

- 5.12 CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Contract, when expenditures under this Contract total seventy-five percent (75%) of the Maximum Contract Sum. Furthermore, CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Contract, when this Contract is within six (6) months of expiration. CONTRACTOR shall send these notices to those persons and addresses which are set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices.
- 5.13 CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Contract. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Contract shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

6.0 RECORDS AND AUDITS

- 6.1 CONTRACTOR shall maintain accurate and complete financial records of all its activities and operations relating to this Contract in accordance with generally accepted accounting principles and which meet the requirements for contract accounting described in the Auditor-Controller Contract Accounting and Operating Handbook, attached hereto as Exhibit H. CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this Contract.
- 6.2 CONTRACTOR agrees that COUNTY and its authorized representatives, the State of California and its authorized representatives, and the Federal Government and its authorized representatives, including, but not limited to, the U. S. Comptroller General, shall have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records relating to this Contract. All financial records, supporting documents, statistical records, and all other records pertinent to the award and performance of this Contract, including, but not limited to, all financial records, timecards, other employment records and confidential information, shall be kept and maintained by CONTRACTOR at a location in Los Angeles County and shall be made available to COUNTY, State and Federal authorities, during the term of this Contract and either for a period of five (5) years after the expiration of the term of this Contract or for a period of three (3) years from the date of the submission of the final expenditure report, whichever date is later. If before the expiration of that time period, any litigation, claim, financial

management review, or audit is started, the records shall be retained until all litigation, claims, financial management review, or audit findings involving the records have been resolved and final action taken. If such material is located outside of Los Angeles County, then, at COUNTY's sole option, CONTRACTOR shall pay COUNTY for travel per diem and other costs incurred by COUNTY in exercising its rights under this Section. CONTRACTOR shall maintain all records in accordance with California State records and retention regulations including the provisions of California Department of Social Services Manual of Policy and Procedures, Section 23-353.

- 6.3 In the event that an audit is conducted of CONTRACTOR specifically regarding this Contract by any Federal or State Auditor, or by any auditor employed by CONTRACTOR or otherwise, 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 Contract. COUNTY shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 6.4 CONTRACTOR shall be responsible for conducting annual financial audits of its agency and its subcontractor(s) if required by COUNTY and/or the California Department of Social Services (CDSS), to be conducted by an independent audit firm and in accordance with generally accepted auditing standards. Within thirty (30) calendar days after issuance of such audit reports, CONTRACTOR shall forward copies of such reports to DCFS.
- 6.5 CONTRACTOR shall, during normal business hours, allow appropriate County, State and Federal agencies, including CDSS, COUNTY's Auditor-Controller or its designee to evaluate, audit, review, inspect and monitor its accounting books and records of program operations, including interviews of CONTRACTOR's staff, insurance agents, banks, personnel, vendors and subcontractor(s). Methods may include the inspection of accounting ledgers, journals, canceled checks, timecards, personnel records, fringe benefit rate notices, receipts and invoices, payroll tax records, subcontracts, space and equipment lease Contracts, and other relevant accounting books, records, worksheets and logs as appropriate for ensuring CONTRACTOR's accountability of expenditures and program performance under this Contract. CONTRACTOR shall ensure the cooperation of all subcontractor(s), its staff, and board members in all such efforts.
- 6.6 All uses of funds paid to CONTRACTOR and other financial transactions related to CONTRACTOR's provision of services under this Contract are subject to review and/or audit by DCFS, COUNTY's Auditor-Controller or its designee, and the State of California. In the event this Contract is

subject to audit exceptions, CONTRACTOR shall pay to COUNTY the full amount of CONTRACTOR's liability for such audit exceptions, as determined by DCFS, upon demand by COUNTY.

6.7 Failure on the part of CONTRACTOR to comply with the provisions of this Section shall constitute a material breach of this Contract upon which COUNTY may withhold reimbursement or terminate this Contract.

7.0 AUDIT SETTLEMENT

If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, authorized representatives of COUNTY conduct an audit of CONTRACTOR regarding the services provided to COUNTY hereunder and if such audit finds that COUNTY's dollar liability for such services is less than payments made by COUNTY to CONTRACTOR, then CONTRACTOR agrees that the difference, at the COUNTY's discretion, shall be either: (1) repaid forthwith by CONTRACTOR to COUNTY by cash payment; or (2) at COUNTY's option, credited against future payments hereunder to CONTRACTOR. If such audit finds that COUNTY's dollar liability for services provided hereunder is more than payments made by COUNTY to CONTRACTOR, then the difference shall be paid to CONTRACTOR by COUNTY provided that in no event shall COUNTY's maximum obligation for this Contract exceed the Maximum Contract Sum.

8.0 INDEMNIFICATION

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 arising from and/or relating to this Contract.

9.0 GENERAL INSURANCE REQUIREMENTS

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Contract, CONTRACTOR shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY, and such coverage shall be provided and maintained at CONTRACTOR's own expense.

9.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to the Department of Children and Family Services, Contracts Administration, Attention: Contract

Administrator, 425 Shatto Place, Room 400, Los Angeles, California 90020; prior to commencing services under this Contract. Such certificates or other evidence shall:

- 9.1.1 Specifically identify this Contract.
 - 9.1.2 Clearly evidence all coverages required in this Contract.
 - 9.1.3 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.
 - 9.1.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding the COUNTY of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract.
 - 9.1.5 Identify any deductibles or self-insured retentions for COUNTY's approval. The COUNTY retains the right to require CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to COUNTY, or, require CONTRACTOR to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.
- 9.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the COUNTY with an A.M. Best rating of not less than A:VII, unless otherwise approved by COUNTY.
- 9.3 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 Contract. COUNTY, at its sole option, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, COUNTY may purchase such required insurance coverage, and without further notice to CONTRACTOR, COUNTY may deduct from sums due to CONTRACTOR any premium costs advanced by COUNTY for such insurance.
- 9.4 Notification of Incidents, Claims or Suits: CONTRACTOR shall report to COUNTY:
- 9.4.1 Any accident or incident relating to services performed under this Contract 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 24 hours of occurrence.

9.4.2 Any third party claim or lawsuit filed against CONTRACTOR arising from or related to services performed by CONTRACTOR under this Contract.

9.4.3 Any injury to a CONTRACTOR employee which occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-Employee Injury Report" to the COUNTY Contract Manager.

9.4.4 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 Contract.

9.5 Compensation for COUNTY Costs: In the event that CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all costs incurred by COUNTY.

9.6 Insurance Coverage Requirements for Subcontractors: CONTRACTOR shall ensure any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

9.6.1 CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or

9.6.2 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.

10.0 INSURANCE COVERAGE REQUIREMENTS:

10.1 General Liability insurance (written on ISO policy form 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

10.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each accident. Such insurance shall include coverage for all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto."

- 10.3 Workers' Compensation and Employer's 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. If CONTRACTOR's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which CONTRACTOR is responsible.

In all cases, the above insurance also shall 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

- 10.4 Property Coverage: Such insurance shall be endorsed naming the COUNTY of Los Angeles as loss payee, provide deductibles of no greater than 5% of the property value, and shall include:

Real Property and All Other Personal Property – Special form (“all-risk”) coverage for the full replacement value of COUNTY-owned or leased property.

11.0 NOTICES

- 11.1 All notices shall be given in writing by enclosing the same in a sealed envelope addressed to the intended party and by depositing such envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices to COUNTY shall be sent in duplicate addressed to the following:

Department of Children and Family Services
Contracts Administration
Attention: Contract Manager
425 Shatto Place, Room 400
Los Angeles, California 90020

All notices to CONTRACTOR shall be sent to CONTRACTOR:

GRM Information Management
Services of California, LLC
Attention: Zeke Lopez, Vice President
4901 Zambrano Street
Commerce, CA 90040

or such other person and/or location as may hereinafter be designated in writing by the CONTRACTOR.

- 11.2 All notices may also be given upon personal delivery to any person whose actual knowledge would be sufficient notice to CONTRACTOR. Further, it is expressly understood that actual knowledge of an individual CONTRACTOR shall in any case be sufficient notice. If the CONTRACTOR is a partnership or a corporation, actual knowledge of a partner, officer or member of the corporation, or of the managing agent regularly in charge of the work on behalf of CONTRACTOR, shall also be deemed sufficient.

12.0 CHANGES AND AMENDMENTS

The COUNTY reserves the right to change any portion of the work required under this Contract, or make amendment to such other terms and conditions as may become necessary and reasonable. Any such revisions shall be in writing and accomplished in the following manner:

- 12.1 For any change which does not affect the period of performance, Maximum Contract Sum, Maximum Annual Contract Sum or payments, and which does not materially alter any term or condition included in this Contract, an amendment shall be prepared, and signed by CONTRACTOR and the COUNTY's Director. Approval of County Counsel must be obtained for any changes which affect the scope of work.
- 12.2 For any change which affects the period of performance, Maximum Contract Sum, Maximum Annual Contract Sum or payments, or which materially alters any other term or condition in this Contract, a written amendment shall be prepared, signed by the CONTRACTOR, and thereafter submitted to COUNTY's Board of Supervisors for consideration and, if approved, execution.
- 12.3 For purposes of Sections 12.1 and 12.2, a change materially alters a term or condition included in this Contract if it: (1) is significant as to price, quantity, quality or delivery when contrasted with the total costs or scope of the services being procured; (2) alters minimum requirements for prospective bidders, proposers or negotiating entities for this Contract; or (3) would result in a change in the Maximum Contract Sum set forth in Section 4.0, Contract Sum, of this Contract.
- 12.4 Notwithstanding the provisions of Sections 12.1, and 12.2, COUNTY's COUNTY's Director may, without further action by COUNTY's Board of Supervisors, prepare and sign amendments to this Contract which increase or decrease payments to CONTRACTOR which are

commensurate with increases or decreases in the units of service being provided under this Contract under the following conditions:

12.4.1 COUNTY's total payments to CONTRACTOR shall not increase or decrease more than ten percent (10%) per year and in the aggregate above or below the original Maximum Contract Sum during the term of this Contract.

12.4.2 COUNTY's Board of Supervisors has appropriated sufficient funds for all changes described in each such amendment to this Contract.

12.4.3 Approval of County Counsel and the Chief Administrative Officer is obtained prior to any such amendment to this Contract; and

12.4.4 The COUNTY's Director shall notify COUNTY's Board of Supervisors, Chief Administrative Officer, and County Counsel of all Contract changes, in writing, within **ten (10)** days following execution of such amendment.

13.0 ASSIGNMENT/DELEGATION OF RIGHTS

13.1 CONTRACTOR shall not assign its rights or delegate its duties hereunder, either in whole or in part, without the prior written consent of the Los Angeles COUNTY Board of Supervisors or the COUNTY's Director in the event the COUNTY's Director has the delegated authority to consent. Any attempted assignment and/or delegation without said consent shall constitute a default under Section 22.0, Events of Default, herein and shall be voidable at the election of the COUNTY. If CONTRACTOR is a corporation, partnership, limited liability company or other entity, then an assignment requiring COUNTY's consent hereunder shall also include any sale, exchange, assignment, divestment or change in members, directors or officers giving majority control of CONTRACTOR to any person(s) or legal entity other than the majority in control of CONTRACTOR at the time of execution of this Contract. Any payments by COUNTY to CONTRACTOR or its assignee, or acceptance of any payments by COUNTY from CONTRACTOR or its assignee on any claim under this Contract shall not waive or constitute such COUNTY consent.

13.2 Upon assignment and/or delegation, each and all of the provisions, Contracts, terms, covenants and conditions herein contained, to be performed by CONTRACTOR, shall be binding upon both CONTRACTOR and upon any assignee/delegate thereof.

13.3 COUNTY's consent may be reasonably withheld if, among other things, the proposed assignee fails to meet the requirements for contracting satisfied by the original CONTRACTOR and/or the then current COUNTY or State contracting requirements for this or similar Contracts. COUNTY may require, as a condition to its consent to assignment, that the assignee

enter into a Contract utilizing then current standard COUNTY documentation for this or similar Contracts.

- 13.4 Any payments by COUNTY to any delegatee or assignee on any claim under this Contract shall reduce dollar for dollar any claims which CONTRACTOR may have against COUNTY and shall be subject to set-off, recoupment, or other reduction for any claims which CONTRACTOR may have against COUNTY, whether under this Contract or otherwise.

14.0 SUBCONTRACTING

- 14.1 No performance of this Contract or any portion thereof may be subcontracted by CONTRACTOR without the express written authority of COUNTY's Director. Any attempt by CONTRACTOR to subcontract performance of any of the terms of this Contract, in whole or in part, without said consent shall be null and void and shall constitute a breach of the terms of this Contract. In the event of such a breach, this Contract may be terminated forthwith. CONTRACTOR shall submit each subcontract to the COUNTY for written approval prior to subcontractor performing any work hereunder.
- 14.2 All of the provisions of this Contract and any amendment(s) hereto shall extend to and be binding upon subcontractors, provided that assignment or delegation of rights under a subcontract by subcontractors shall not require COUNTY approval. The CONTRACTOR shall include in all subcontracts the following provision: "This Contract is a subcontract under the terms of a prime contract with the COUNTY of Los Angeles. All representations and warranties contained in this subcontract shall inure to the benefit of the COUNTY of Los Angeles."
- 14.3 CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability arising or resulting from the use of any subcontractor and its employees in the same manner and to the same extent that CONTRACTOR indemnifies COUNTY from any and all liability arising from or resulting from the actions or omissions of its own employees.
- 14.4 CONTRACTOR shall obtain the following from each subcontractor before any subcontractor employee may perform any work under any subcontract to this Contract. CONTRACTOR shall maintain and make available upon request of CPM all the following documents:
 - 14.4.1 An executed Employee Acknowledgment and Confidentiality Contract, Exhibit F, executed by each subcontractor and each of subcontractor's employees approved to perform work hereunder.

14.4.2 Certificates of Insurance which establish that the subcontractor maintains all the programs of insurance required by Section 10.0, Insurance Coverage Requirements, of this Contract, and

14.4.3 The Tax Identification Number of the subcontracting agency to be placed on the signature page of the subcontract. This Tax Identification Number shall not be identical to the CONTRACTOR's Tax Identification Number.

14.5 CONTRACTOR shall provide CPM with copies of all executed subcontracts after CPM's approval.

14.6 No subcontract shall alter in any way any legal responsibility of CONTRACTOR to COUNTY. CONTRACTOR shall remain responsible for any and all performance required of it under this Contract, including, but not limited to, the obligation to properly supervise, coordinate, and perform all work required hereunder.

14.7 Notwithstanding any other provision of this Contract, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Contract.

14.8 CONTRACTOR shall be solely liable and accountable for any and all payments and other compensation to all subcontractor's engaged hereunder and their officers, employees, and agents. COUNTY shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractors or their officers, employees, and agents.

15.0 INDEPENDENT CONTRACTOR STATUS

This Contract is by and between the COUNTY and CONTRACTOR and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association, as between COUNTY and CONTRACTOR. CONTRACTOR understands and agrees that all persons furnishing services to COUNTY pursuant to this Contract are, for purposes of Workers' Compensation liability, employees solely of CONTRACTOR and not of COUNTY. CONTRACTOR shall bear the sole responsibility and liability for furnishing Workers' Compensation benefits to any person for injuries arising from or connected with service to COUNTY provided pursuant to this Contract.

16.0 COVENANT AGAINST CONTINGENT FEES

16.1 CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this Contract for either a flat fee, a percentage commission or any other form of remuneration.

16.2 For breach or violation of this covenant, COUNTY shall have the right to terminate this Contract and/or, at its sole discretion, require the CONTRACTOR to repay any funds converted to such use prior to any payment for past work or performance of any future work.

17.0 DISCLOSURE OF INFORMATION

17.1 The CONTRACTOR shall not disclose any details in connection with this Contract to any party, except as may be otherwise provided herein or required by law. However, in recognizing the CONTRACTOR's need to identify its services and related clients to sustain itself, the COUNTY shall not inhibit the CONTRACTOR from publicizing its role under this Contract within the following conditions:

17.1.1 CONTRACTOR shall develop all publicity material in a professional manner.

17.1.2 During the course of performance of this Contract, the CONTRACTOR, its employees, agents, and subcontractors shall not publish or disseminate commercial advertisements, press releases, opinions or feature articles, using the name of the COUNTY without the prior written consent of the COUNTY. Said consent shall not be unreasonably withheld, and approval by the COUNTY may be assumed in the event no adverse comments are received in writing two (2) weeks after submittal.

17.1.3 CONTRACTOR may, without prior written permission of COUNTY, indicate in its proposals and sales material that it has been awarded a contract to provide services, provided, however, that the requirements of this provision shall apply.

18.0 COMPLIANCE WITH APPLICABLE LAWS

18.1 CONTRACTOR shall conform to and abide by all applicable Municipal, COUNTY, State and Federal laws and regulations, court rules, and ordinances, insofar as the same or any of them are applicable. This includes compliance with mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan (Title 24, California Administrative Code) and compliance with Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15). Insofar as permits and/or licenses are required for the prescribed services and/or any construction authorized herein, the same must be obtained from the regulatory agency having jurisdiction thereover.

18.1.1 CONTRACTOR acknowledges that this Contract will be funded, in part, with federal funds; therefore, CONTRACTOR agrees that it shall comply with all applicable federal laws and regulations pertaining to such federal funding. Said federal laws and regulations include, but are not limited to, 45 CFR Section 92.36, et seq.

18.1.2 CONTRACTORS shall comply with all applicable laws pertaining to confidentiality. This shall include but is not limited to the confidentiality provisions of Section 827 and Section 10850 of the California Welfare and Institutions Code and MPP Division 19.

18.1.3 CONTRACTOR agrees to comply fully with the terms of Executive Order 11246, entitled Equal Employment Opportunity as amended by Executive Order 11375, and as supplemented by Department of Labor Regulations (41 CFR Part 60).

18.2 Failure by CONTRACTOR to comply with such laws and regulations shall be a material breach of this Contract and may result in termination of this Contract.

18.3 CONTRACTOR agrees to indemnify and hold COUNTY harmless from any loss, damage or liability resulting from a violation on the part of the CONTRACTOR, its employees, agents or subcontractors of such laws, regulations, rules, policies, standards or ordinances as described in Section 18.1, Compliance with Applicable Laws.

19.0 COMPLIANCE WITH CIVIL RIGHTS LAWS

CONTRACTOR hereby assures that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1973, where applicable, and Title 43, Part 17 of the Code of Federal Regulations Subparts A and B, to the end that no persons shall on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap be subjected to discrimination under the privileges and use granted by this Contract or under any project, program or activity supported by this Contract.

20.0 NON-DISCRIMINATION IN EMPLOYMENT

20.1 CONTRACTOR certifies and agrees that all persons under its employ, its affiliates, subsidiaries, or holding companies, are and will be treated equally by it without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap, in compliance with all applicable Federal and State non-discrimination laws and regulations. This includes compliance with Executive Order 11246

entitled "Equal Employment Opportunity," Executive Order 11375 and as supplemented in the Department of Labor Regulations (41 CFR Part 60).

- 20.2 CONTRACTOR shall take affirmative action to ensure that qualified applicants are employed and that employees are treated during employment without regard to race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap. Such action shall include but is not limited to the following: 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.
- 20.3 CONTRACTOR shall deal with its subcontractors, bidders, or vendors without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap.
- 20.4 CONTRACTOR shall provide access for COUNTY's representatives to inspect CONTRACTOR's employment records during regular business hours in order to verify compliance with the provisions of this section when so requested by COUNTY.
- 20.5 If COUNTY finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which COUNTY may determine to terminate this Contract. COUNTY reserves the right to determine independently whether the non-discrimination provisions of this Contract have been violated. In addition, a determination by the California Fair Employment Opportunity Commission that CONTRACTOR has violated State or Federal non-discrimination laws or regulations shall constitute a finding by COUNTY that CONTRACTOR has violated the non-discrimination provisions of this Contract.
- 20.6 The parties agree that in the event CONTRACTOR violates the non-discrimination provisions of this Contract, COUNTY shall, at its option, be entitled to a sum of Five Hundred Dollars (\$500.00) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating this Contract.

21.0 CLIENT GRIEVANCES

CONTRACTOR shall establish a written procedure to resolve client grievances. At the request of CPM, CONTRACTOR shall submit such procedures to COUNTY within five (5) calendar days from the date of the request.

22.0 EVENTS OF DEFAULT

22.1 Default for Non-Performance

COUNTY may terminate the whole or any part of this Contract if either of the following circumstances exist:

22.1.1 CONTRACTOR has made a misrepresentation of any required element in the proposal submitted in response to the Request for Proposals, if any; or

22.1.2 CONTRACTOR fails to comply with or perform any provision of this Contract or fails to make progress so as to endanger performance of any term of this Contract.

22.2 Default for Insolvency

COUNTY may terminate this Contract for default for insolvency in the event of the occurrence of any of the following:

22.2.1 Insolvency of CONTRACTOR. CONTRACTOR shall be deemed insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has filed for bankruptcy or not, and whether insolvent within the meaning of the Federal Bankruptcy Law or not;

22.2.2 The filing of a voluntary petition in bankruptcy;

22.2.3 The appointment of a Receiver or Trustee for CONTRACTOR;

22.2.4 The execution by CONTRACTOR of an assignment for the benefit of creditors.

22.3 Other Events of Default

Determination by the COUNTY, the State Fair Employment Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by CONTRACTOR in violation of State and/or Federal laws thereon.

23.0 TERMINATION FOR CONTRACTOR'S DEFAULT

23.1 Upon determining the existence of any one or more of the circumstances heretofore described in Section 22.0, Events of Default, this Contract may be subject to termination either immediately or within such longer time period as noticed by COUNTY.

- 23.2 In the event COUNTY terminates this Contract in whole or in part as provided in this Contract, COUNTY may procure, upon such terms and in such manner as COUNTY may deem appropriate, services similar to those previously provided by CONTRACTOR. Any excess cost, as determined by the COUNTY, arising from procurement of services under this Section 23.2, over and above the Maximum Contract Sum, shall be charged against the CONTRACTOR and/or its sureties.
- 23.3 The remedies reserved to COUNTY herein shall be cumulative and in addition to any other remedies provided in law or equity.
- 23.4 In the event that, following services of the Notice of Termination of this Contract under the provisions of this Contract, it is determined for any reason that CONTRACTOR was not in default under the provisions of this Contract or that the default was excusable under provisions of this Contract, a correction of the Notice of Termination shall be issued, and the rights and obligations of the parties shall be the same as if the Notice of Termination had not been issued.

24.0 TERMINATION FOR IMPROPER CONSIDERATION

- 24.1 COUNTY may, by written notice to CONTRACTOR, immediately terminate the right of CONTRACTOR to proceed under this Contract if it is found that 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 the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the CONTRACTOR's performance pursuant to the 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 the CONTRACTOR.
- 24.2 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 Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.
- 24.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

25.0 TERMINATION FOR CONVENIENCE

- 25.1 The performance of services under this Contract may be terminated in whole or part when such action is deemed by COUNTY to be in its best interest. Termination of services hereunder shall be effected by delivery to CONTRACTOR of a thirty (30) day advance Notice of Termination specifying the extent to which performance of services under this Contract is terminated and the date upon which such termination becomes effective.
- 25.2 After receipt of a Notice of Termination and except as otherwise directed by COUNTY, the CONTRACTOR shall:
- 25.2.1 Stop services under this Contract on the effective date of termination.
- 25.2.2 To the extent possible, continue to perform, as required by this Contract until the effective date of termination.
- 25.3 After receipt of a Notice of Termination, CONTRACTOR shall submit to COUNTY in the form and with the certification as may be prescribed by COUNTY, its termination claim and invoice. Such claim and invoice shall be submitted promptly. COUNTY will not accept any such invoice submitted later than three (3) months from the effective date of termination. Upon failure of CONTRACTOR to submit its termination claim and invoice within the time allowed, COUNTY may determine, on the basis of information available to COUNTY, the amount, if any, due to CONTRACTOR in respect to the termination, and such determination shall be final. After such determination is made, COUNTY shall pay CONTRACTOR the amount so determined as full and complete satisfaction of all amounts due CONTRACTOR under this Contract for any terminated services.
- 25.4 Subject to the provisions of Section 25.3, above, COUNTY and CONTRACTOR shall make a good faith attempt to agree upon an amount due to CONTRACTOR for any terminated services following the total or partial termination of services pursuant to this Contract. If after a good faith effort, an amount due CONTRACTOR is not agreed upon, COUNTY shall determine the amount due CONTRACTOR by assessing the contract value for similar services provided herein to all documented services, which CONTRACTOR or its subcontractor(s) has satisfactorily provided. COUNTY shall pay the agreed upon or determined amount, provided that such amount shall not exceed the Maximum Contract Sum under this Contract as reduced by the amount of payments otherwise made and as further reduced by the amount potentially due for services not terminated.

26.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

- 26.1 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.
- 26.2 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 this Contract, debar the CONTRACTOR from bidding on COUNTY contracts for a specified period of time not to exceed three years, and terminate any or all existing contracts the CONTRACTOR may have with the COUNTY.
- 26.3 The COUNTY may debar the CONTRACTOR if the Board of Supervisors 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.
- 26.4 If there is evidence that the CONTRACTOR may be subject to debarment, DCFS 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.
- 26.5 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 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. If the CONTRACTOR fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the CONTRACTOR may be deemed to have waived all rights of appeal.
- 26.6 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.

26.7 These terms shall also apply to subcontractors of COUNTY Contractors.

27.0 LIMITATION OF COUNTY'S OBLIGATION DUE TO NON-APPROPRIATION OF FUNDS

27.1 COUNTY's obligation is payable only and solely from funds appropriated for the purpose of this Contract.

27.2 All funds for payment are conditioned upon the COUNTY Board of Supervisors' appropriation of sufficient funds for this purpose. Payments during subsequent fiscal year periods are dependent upon similar Board of Supervisors' action.

27.3 In the event the COUNTY Board of Supervisors does not allocate sufficient funds for the next succeeding fiscal year to meet the COUNTY's anticipated obligations to providers under contracts, then services may be: (1) terminated in their entirety; or (2) reduced in accordance with available funding as deemed necessary by the COUNTY. COUNTY shall notify CONTRACTOR in writing of any such non-allocation of funds at the earliest possible date.

27.4 In the event that the COUNTY's Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to COUNTY contracts, the COUNTY reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year for services provided by the CONTRACTOR under this Contract. The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Notwithstanding such reduction, the CONTRACTOR shall continue to provide all of the services set forth in this Contract.

28.0 CONFLICT OF INTEREST

28.1 No COUNTY employee whose position in COUNTY enables such employee to influence the award or administration of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by CONTRACTOR herein, or have any other direct or indirect financial interest in this Contract. No officer or employee of COUNTY who may financially benefit from the provision of services hereunder shall in any way participate in COUNTY's approval, or ongoing evaluation of such services, or in any way attempt to

unlawfully influence COUNTY's approval or ongoing evaluation of such services.

28.2 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 Contract. CONTRACTOR warrants that it is not now aware of any facts which created a conflict of interest. If CONTRACTOR hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to COUNTY. Full written disclosure shall include, without limitation, identification of all persons implicated, and complete description of all relevant circumstances.

29.0 EMPLOYEE BENEFITS AND TAXES

29.1 CONTRACTOR shall be solely responsible for providing to, or on behalf of its employees, all legally required salaries, wages, benefits, or other compensation.

29.2 COUNTY shall have no liability or responsibility for any taxes, including, without limitation, sales, income, employee withholding and/or property taxes which may be imposed in connection with or resulting from this Contract or CONTRACTOR's performance hereunder.

30.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

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 Services Notice 1015, attached hereto as Exhibit J.

31.0 CONFIDENTIALITY

31.1 CONTRACTOR shall maintain the confidentiality of all records including, but not limited to, COUNTY records and client records in accordance with all applicable federal, state and local laws, regulations, ordinances and directives regarding confidentiality. CONTRACTOR shall inform all of its officers, employees and agents providing services hereunder of the confidentiality provisions of this Contract. All employees of CONTRACTOR who have access to confidential records and data must sign and adhere to the attached "Employee Acknowledgment and Confidentiality Contract", Exhibit F. CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.

31.2 CONTRACTORS shall comply with all applicable laws pertaining to confidentiality. This shall include, but is not limited to, the confidentiality provisions of Section 827 and Section 10850 of the California Welfare and Institutions Code and MPP Division 19.

32.0 CONTRACT ENFORCEMENT, QUALITY ASSURANCE PLAN, MONITORING, AND REVIEW

32.1 The COUNTY's Director shall be responsible for the enforcement of this Contract on behalf of COUNTY and shall be assisted therein by those officers and employees of COUNTY having duties in connection with the administration thereof. The COUNTY's Director hereby reserves the right to assign such personnel as are needed to serve as CPM in order to inspect and review CONTRACTOR's performance of and compliance with all contractual services, duties, obligations, responsibilities, administrative procedures and staffing as set forth in this Contract.

32.2 CONTRACTOR hereby agrees to cooperate with the COUNTY's Director, CPM, and any duly authorized State or Federal government representative, in the review and monitoring of CONTRACTOR's program, records and procedures at any reasonable time.

32.3 The COUNTY or its agent will evaluate CONTRACTOR's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the CONTRACTOR's compliance with all contract terms and performance standards. CONTRACTOR deficiencies which COUNTY determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the COUNTY and CONTRACTOR. If improvement does not occur in a manner consistent with the corrective action measures, COUNTY may terminate this Contract or impose other penalties as specified in this Contract.

32.4 At the request of COUNTY, CONTRACTOR, or its appropriate representative, shall attend meetings and/or training sessions, as determined by COUNTY.

32.5 CONTRACTOR shall prepare and submit to CPM a written semi-annual report describing the services provided throughout each Fiscal Year. The CONTRACTOR's semi-annual report shall include, but not be limited to:

32.5.1 Description of services and/or deliverables rendered during the period, dollar amount of services rendered during the period, dollar balance remaining under the Contract, and any difficulties

encountered that could jeopardize the completion of the project or milestones or deliverables within the schedule.

33.0 EMPLOYMENT ELIGIBILITY VERIFICATION

CONTRACTOR warrants that it fully complies with all Federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in Federal statutes and regulations. CONTRACTOR shall obtain, from all covered employees performing services hereunder, 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 of all covered employees for the period prescribed by law. CONTRACTOR shall indemnify, defend, and hold harmless, the COUNTY, its officers and employees from employer sanctions and any other liability which may be assessed against CONTRACTOR or COUNTY in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.

34.0 CRIMINAL CLEARANCES

- 34.1 For the safety and welfare of the children to be served under this Contract, CONTRACTOR agrees, as permitted by law, to ascertain arrest and conviction records for all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with children in the course of their work, volunteer activity or performance of the subcontract and shall maintain such records in the file of each such person.
- 34.2 CONTRACTOR shall immediately notify COUNTY of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent contractor, volunteer staff or subcontractor who may come in contact with children while providing services under this Contract when such information becomes known to CONTRACTOR.
- 34.3 CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (offenses requiring registration as a controlled substance offender) and those defined in the following Penal Code Sections or any other existing or future Penal Code sections which address such crimes:

SECTION	TITLE
220	Assault with intent to commit mayhem, rape, unlawful sodomy, unlawful oral copulation, rape in concert with another, lascivious acts upon a child, or forcible acts of sexual penetration.
243.4	Sexual battery.
245	Assault with a deadly weapon or force likely to produce great bodily injury.
261.5	Unlawful sexual intercourse with a minor.
264.1	Voluntary acting in concert with another person, by force or violence and against the will of the victim, committed rape, rape of spouse or forcible act of sexual penetration either personally or by aiding and abetting the other person.
272	Causing, encouraging or contributing to delinquency of person under age 18.
273a	Great bodily harm or death to child; endangerment of person or health.
273ab	Assault resulting in death of child under 8 years of age.
273d	Infliction of corporal punishment or injury on child resulting in traumatic condition.
273g	Degrading, immoral or vicious practices in the presence of children.
273.5	Infliction of corporal punishment or injury on spouse, former spouse, cohabitant, former cohabitant or the mother or father of his or her child resulting in traumatic condition.
286	Sodomy.
288	Lewd or lascivious acts upon the body of a child under age 14.

288a	Unlawful oral copulation.
289	Forcible acts of sexual penetration against the victim's will.
290	Sex offenders required to register with the chief of police, sheriff or police of a campus of University of California, California State University or community college.
314	Indecent exposure.
368(b)	Great bodily harm or death to elder or dependent adult; Endangerment of person or health of elder or dependent adult.
647 (a) & (d)	Disorderly conduct relating to lewd act/behavior or prostitution.
647.6	Annoyance of or molesting a child under age 18.
667.5(c)	Violent felony.

35.0 CHILD SUPPORT COMPLIANCE PROGRAM

35.1 CONTRACTOR's Warranty of Adherence to COUNTY's Child Support Compliance Program:

35.1.1 CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals who benefit financially from 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 COUNTY and its taxpayers.

35.1.2 As required by COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting CONTRACTOR's duty under this contract to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings

Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

35.2 Termination for Breach of Warranty to Maintain Compliance with COUNTY's Child Support Compliance Program:

35.2.1 Failure of CONTRACTOR to maintain compliance with the requirements set forth in Section 35.1 "Contractor's Warranty of Adherence to COUNTY's Child Support Compliance Program" shall constitute a default by CONTRACTOR under this contract. Without limiting the rights and remedies available to COUNTY under any other provision of this Contract, failure to cure such default within ninety (90) days of notice by the Los Angeles County District Attorney shall be grounds upon which the COUNTY Board of Supervisors may terminate this contract pursuant to paragraph 23.0, "Termination for Contractor's Default".

35.3 CONTRACTOR's Acknowledgment of COUNTY's Commitment to Child Support Enforcement.

35.3.1 CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY's policy to encourage all COUNTY contractors to voluntarily post COUNTY's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at CONTRACTOR's place of business. COUNTY's District Attorney will supply CONTRACTOR with the poster to be used.

36.0 FORMER FOSTER YOUTH CONSIDERATION

36.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform services set forth herein, CONTRACTOR shall give consideration (after COUNTY employees, and GAIN/GROW participants as described in Sections 37.0 and 38.0, respectively) for any such position(s) to qualified former foster youth. CONTRACTOR shall notify COUNTY of any new or vacant positions(s) within CONTRACTOR's firm by sending via U.S. mail or facsimile, a list denoting any position(s) for which hiring is anticipated to:

Department of Children and Family Services
425 Shatto Place, Room 307
Los Angeles, California 90020
FAX: (213) 383-3773

36.2 The notice sent by CONTRACTOR must indicate the position(s)/title(s) for vacant or new employment opportunity, description of same,

requirements/qualifications for position(s), anticipated pay rate or salary schedule, the location where application(s)/requests for application(s) may be sent, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position(s).

36.3 CONTRACTOR is exempt from the provisions of this Section 36.0 if it is a governmental entity.

37.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS

37.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, CONTRACTOR shall give first consideration for such employment openings to qualified permanent COUNTY employees who are targeted for layoff or qualified former COUNTY employees who are on a reemployment list during the term of this Contract.

37.2 CONTRACTOR shall notify COUNTY of any new or vacant position(s) within the CONTRACTOR's personnel who perform services set forth herein, by sending via U.S. mail or facsimile, a list denoting any positions(s) for which hiring is anticipated to:

Department of Human Resources
500 West Temple Street, Room 588
Los Angeles, California 90012
FAX: (213) 680-2450

37.3 CONTRACTOR is exempt from the provisions of this Section 37.0 if it is a governmental entity.

38.0 CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT

38.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract, 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 Opportunities for Work (GROW) Program who meet CONTRACTOR's minimum qualifications for the open position. COUNTY will refer GAIN/GROW participants, by job category, to CONTRACTOR.

In the event that both laid-off COUNTY employees and GAIN/GROW participants are available for hiring, COUNTY employees shall be given first priority.

38.2 CONTRACTOR shall send notices to the COUNTY's Department of Public Social Services offices(s) located nearest to the job location at the following addresses:

Region I – West County
5200 W. Century Blvd.
Los Angeles, CA 90045

Region II – West San Fernando Valley
21415 Plummer St.
Chatsworth, CA 91311

Region II – West San Fernando Valley
Santa Clarita Sub-Office
27233 Camp Plenty Road
Canyon Country, CA 91351

Region II – West San Fernando Valley
Palmdale Sub-Office
1050 E. Palmdale Blvd. #204
Palmdale, CA 93550

Region III – San Gabriel Valley
3216 Rosemead Blvd.
El Monte, CA 91731

Region III – San Gabriel Valley
GAIN Cal-Learn Branch
3220 Rosemead Blvd.
El Monte, CA 91731

Region IV – Central and West County
2910 W. Beverly Blvd.
Los Angeles, CA 90057

Region IV – Central and West County
Exposition Park Sub-Office
3833 S. Vermont
Los Angeles, CA 90037

Region V – South County
2959 Victoria Street
Rancho Dominguez, CA 90221

Region VI – Southeast County
5460 Bandini Blvd.
City of Bell, CA 90201

Region VII – East San Fernando County
3307 N. Glenoaks Blvd.
Burbank, CA 91504

38.3 The notice sent by CONTRACTOR must indicate the position(s)/title(s) for vacant or new employment opportunity, description of same, requirements/qualifications for position(s), anticipated pay rate or salary schedule, the location where applications/request(s) for applications are being received, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position(s).

38.4. CONTRACTOR is exempt from the provisions of this Section 38.0 if it is a governmental entity.

39.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

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 the COUNTY 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 the COUNTY Lobbyist Ordinance shall constitute a material breach of this Contract upon which COUNTY may, in its sole discretion, immediately terminate or suspend this Contract.

40.0 NOTICE OF DELAYS

Except as otherwise provided herein, when either party to this Contract has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within three (3) working days, give written notice thereof, including all relevant information with respect thereto, to the other party.

41.0 USE OF RECYCLED-CONTENT PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at COUNTY landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on the project.

42.0 PROPRIETARY RIGHTS

42.1 COUNTY and CONTRACTOR agree that all materials, data and information developed under and/or used in connection with this Contract shall become the sole property of COUNTY, provided that CONTRACTOR may retain possession of all working papers prepared by CONTRACTOR. During and subsequent to the term of this Contract, COUNTY shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

42.2 Notwithstanding any other provision of this Contract, COUNTY and CONTRACTOR agree that COUNTY shall have all ownership rights in software or modification thereof and associated documentation designed, developed or installed with Federal financial participation; additionally, the Federal Government shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Contract, proprietary operating/vendor software packages (e.g., ADABAS or TOTAL) which are provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership provisions of this Section. CONTRACTOR may retain

possession of all working papers prepared by CONTRACTOR. During and subsequent to the term of this Contract, COUNTY shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

- 42.3 Any materials, data and information not developed under this Contract, which CONTRACTOR considers to be proprietary and confidential, shall be plainly and prominently marked by CONTRACTOR as "TRADE SECRET", "PROPRIETARY", or "CONFIDENTIAL".
- 42.4 COUNTY will use reasonable means to ensure that CONTRACTOR's proprietary and confidential materials, data and information are safeguarded and held in confidence. However, COUNTY will notify CONTRACTOR of any Public Records request for items described in Section 42.3. COUNTY agrees not to reproduce or distribute such materials, data and information to non-COUNTY entities without the prior written permission of CONTRACTOR.
- 42.5 Notwithstanding any other provision of this Contract, COUNTY shall not be obligated in any way under Section 42.4 for:
 - 42.5.1 Any material, data and information not plainly and prominently marked with restrictive legends as set forth in Section 42.3;
 - 42.5.2 Any materials, data and information covered under Section 42.2; and
 - 42.5.3 Any disclosure of any materials, data and information which COUNTY is required to make under the California Public Records Act or otherwise by law.
- 42.6 CONTRACTOR shall protect the security of and keep confidential all materials, data and information received or produced under this Contract. Further, CONTRACTOR shall use whatever security measures are necessary to protect all such materials, data and information from loss or damage by any cause, including, but not limited to, fire and theft.
- 42.7 CONTRACTOR shall not disclose to any party any information identifying, characterizing or relating to any risk, threat, vulnerability, weakness or problem regarding data security in COUNTY's computer systems or to any safeguard, countermeasure, contingency plan, policy or procedure for data security contemplated or implemented by COUNTY, without COUNTY's prior written consent.
- 42.8 The provisions of Sections 42.5, 42.6, and 42.7 shall survive the expiration or termination of this Contract.

43.0 FIXED ASSETS

Title to all fixed assets purchased with COUNTY funds designated by the COUNTY for that purpose under this Contract shall remain with COUNTY. A "Fixed Asset" is defined hereunder as any equipment costing Five Thousand Dollars (\$5,000.00) or more, with a useful life of more than one year. Such assets shall be maintained and repaired by CONTRACTOR during the term of this Contract. CONTRACTOR shall provide an accounting of such assets at the termination or expiration of this Contract and shall deliver same to COUNTY upon COUNTY's written request. CONTRACTOR shall have the option upon the expiration or termination of the Contract to acquire such assets at a price to be mutually agreed upon by COUNTY and CONTRACTOR.

44.0 CHILD ABUSE PREVENTION REPORTING

44.1 CONTRACTOR agrees that the safety of the child will always be the first priority. To ensure the safety of children, CONTRACTOR will immediately notify COUNTY and the Child Abuse Hotline whenever CONTRACTOR reasonably suspects that a child has been a victim of abuse and/or is in danger of future abuse. The CONTRACTOR will remain with the child if imminent risk is present.

44.2 CONTRACTOR shall ensure that all known or suspected instances of child abuse are reported to a child protective agency as defined in Section 11164, et. Seq. of the Penal Code. This responsibility shall include:

44.2.1 A requirement that all employees, consultants, or agents performing services under this Contract who are required by Penal Code, Section 11166(a), to report child abuse, sign a statement that he or she knows of the reporting requirements and will comply with them.

44.2.2 The establishment of procedures to ensure reporting even when employees, consultants or agents who are not required to report child abuse under California Penal Code Section 11166, gain knowledge of, or reasonably suspect that a child had been a victim of abuse or neglect.

44.2.3 The assurance that all employees of CONTRACTOR and subcontractors understand that the safety of the child is always the first priority.

45.0 COMMUNITY BUSINESS ENTERPRISES PROGRAM

In accordance with COUNTY policy, CONTRACTOR has submitted a true and correct copy of the Certification Application which is attached as Exhibit E.

46.0 AUTHORIZATION WARRANTY

CONTRACTOR represents and warrants that the signatory to this Contract is fully authorized to obligate CONTRACTOR hereunder and that all corporate acts necessary to the execution of this Contract have been accomplished.

47.0 DISPUTE RESOLUTION PROCEDURE

- 47.1 CONTRACTOR and COUNTY agree to act promptly and diligently to mutually resolve any disputes which may arise with respect to this Contract. All such disputes shall be subject to the provisions of this Section 47.0.
- 47.2 CONTRACTOR and COUNTY agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance which COUNTY determines should be delayed as a result of such dispute. COUNTY shall continue to pay sums not in dispute, during any such period of continued performance.
- 47.3 In the event of any dispute between the parties with respect to this Contract, CONTRACTOR and COUNTY shall submit the matter to their respective Program Managers for the purpose of endeavoring to resolve such dispute.
- 47.4 In the event that the Program Managers are unable to resolve the dispute within a reasonable time not to exceed five (5) working days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Assistant to Executive Director and COUNTY's Regional Administrator for further consideration and discussion to attempt to resolve the dispute.
- 47.5 In the event that CONTRACTOR's Assistant to Executive Director and COUNTY's Regional Administrator are unable to resolve the dispute within a reasonable time not to exceed five (5) days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director and to the COUNTY's Director for further consideration and discussion to attempt to resolve the dispute.
- 47.6 All disputes utilizing this dispute resolution procedure shall at each and every level of escalation be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all levels described in this Section 47.0, the efforts to resolve a dispute shall be undertaken by conference between the parties' respective

representatives, either orally (by face-to-face meeting or by telephone), or in writing (by exchanging of correspondence).

47.7 Notwithstanding any other provision of this Contract, COUNTY's right to terminate this Contract pursuant to Section 23.0, Termination for Contractor's Default, Section 25.0, Termination for Convenience, or any other termination provision hereunder, and COUNTY's right to seek injunctive relief to enforce the provisions of Section 42.0, Proprietary Rights and Section 31.0, Confidentiality, shall not be subject to this Section 47.0, Dispute Resolution Procedure.

48.0 COMPLIANCE WITH JURY SERVICE PROGRAM

This Contract is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached hereto as Exhibit L and incorporated by reference into and made a part of this Contract.

48.1 Written Employee Jury Service Policy

48.1.1 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 (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 (5) 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.

48.1.2 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 subcontracts. "Employee" means any California resident who is a full time employee of CONTRACTOR. "Full time" means forty (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) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses

any subcontractor to perform services for the COUNTY under this Contract, the subcontractor shall also be subject to the provisions of this Section 48.0. The provisions of this Section 48.0 shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.

48.1.3 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. The COUNTY may also require, at any time during the term of this Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.

48.1.4 CONTRACTOR's violation of this Section 48.0 of this Contract may constitute a material breach of this 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.

49.0 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN

CONTRACTOR represents and warrants that it has registered in the COUNTY's WebVen. Prior to a contract award, all potential contractors 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://lacounty.info/doing_business/main_db.htm. *(There are underscores in the address between the words 'doing business' and 'main db'.)*

50.0 COMPLIANCE WITH LIVING WAGE PROGRAM

50.1 Living Wage Program. This Contract is subject to the provisions of the COUNTY's ordinance entitled Living Wage Program Acknowledgement and Statement of Compliance ("Program") as codified in Sections 2.201.020 through 2.201.100 of the Los Angeles County Code, a copy of

which is attached hereto as Exhibit O and incorporated by reference into and made a part of this Contract.

50.2 Payment of Living Wage Rates.

50.2.1 Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not an "Employer" as defined under the Program (Section 2.201.020 of the County Code) or that CONTRACTOR shall pay its Employees no less than the applicable hourly living wage rate, as set forth immediately below, for the Employee's services provided to the COUNTY under this Contract.

50.2.1.1 Not less than \$9.46 per hour if, in addition to the per-hour wage, CONTRACTOR contributes less than \$1.14 per hour towards the provision of bona fide health care benefits for its Employees and any dependents; or

50.2.1.2 Not less than \$8.32 per hour if, in addition to the per-hour wage, CONTRACTOR contributes at least \$1.14 per hour towards the provision of bona fide health care benefits for its Employees and any dependents. CONTRACTOR will be deemed to have contributed \$1.14 per hour towards the provision of bona fide health care benefits if the benefits are provided through the COUNTY Department of Health Services Community Health Plan. If, at any time during this Contract, CONTRACTOR contributes less than \$1.14 per hour towards the provision of bona fide health care benefits, CONTRACTOR shall be required to pay its Employees the higher hourly living wage rate.

50.2.2 For purposes of this Section, "Contractor" includes any subcontractor engaged by CONTRACTOR to perform services for the COUNTY under this Contract. If CONTRACTOR uses any subcontractor to perform services for the COUNTY under this Contract, the subcontractor shall be subject to the provisions of this Section 50.0. The provisions of this Section 50.0 shall be inserted into any such subcontract Contract and a copy of the Program shall be attached to this Contract. "Employee" means any individual who is an Employee of CONTRACTOR under the laws of California, and who is providing full-time services to CONTRACTOR, some or all of which are provided to the COUNTY under this Contract. "Full-time" means a minimum of 40 hours 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; however, fewer than 35 hours worked per week will not, in any event, be considered full time.

50.2.3 If CONTRACTOR is required to pay a living wage when the term of this Contract commences, CONTRACTOR shall continue to pay a living wage for the entire term of the Contract, including any option period.

50.2.4 If CONTRACTOR is not required to pay a living wage when the term of this Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its “exemption status” from the living wage requirement, and CONTRACTOR shall immediately notify COUNTY if CONTRACTOR at any time either comes within the Program’s definition of “Employer” or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately be required to commence paying the living wage and shall be obligated to pay the living wage for the remaining term of the Contract, including any option period. The COUNTY may also require, at any time during the term of the Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY’s satisfaction that CONTRACTOR either continues to remain outside of the Program’s definition of “Employer” and/or that CONTRACTOR continues to qualify for an exception to the Program. Unless CONTRACTOR satisfies this requirement within the time frame permitted by the COUNTY, CONTRACTOR shall immediately be required to pay the living wage for the remaining term of the Contract, including any option period.

50.3 CONTRACTOR’s Submittal of Certified Monitoring Reports. CONTRACTOR shall submit to the COUNTY certified monitoring reports at a frequency instructed by the COUNTY. The certified monitoring reports shall list all of CONTRACTOR’s Employees during the reporting period. The certified monitoring reports shall also verify the number of hours worked, the hourly wage rate paid, and the amount paid by CONTRACTOR for health benefits, if any, for each of its Employees. The certified monitoring reports shall also state the name and identification number of CONTRACTOR’s current health care benefits plan, and CONTRACTOR’s portion of the premiums paid as well as the portion paid by each Employee. All certified monitoring reports shall be submitted on forms provided by the COUNTY, or any other form approved by the COUNTY which contains the above information. The COUNTY reserves the right to request any additional

information it may deem necessary. If the COUNTY requests additional information, CONTRACTOR shall promptly provide such information. CONTRACTOR, through one of its officers, shall certify under penalty of perjury that the information contained in each certified monitoring report is true and accurate.

- 50.4 CONTRACTOR'S Ongoing Obligation to Report Labor Law/Payroll Violations and Claims. During the term of this Contract, if the CONTRACTOR becomes aware of any labor law/payroll violation or any complaint, investigation or proceeding ("claim") concerning any alleged labor law/payroll violation (including but not limited to any violation or claim pertaining to wages, hours and working conditions such as a minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination), the CONTRACTOR shall immediately inform the COUNTY of any pertinent facts known by the CONTRACTOR regarding same. This disclosure obligation is not limited to any labor law/payroll violation or claim arising out of the CONTRACTOR's contract with the COUNTY, but instead applies to any labor law/payroll violation or claim arising out of any of the CONTRACTOR's operations in California.
- 50.5 COUNTY Auditing of CONTRACTOR Records. Upon a minimum of twenty-four (24) hours written notice, the COUNTY may audit, at CONTRACTOR's place of business, any of CONTRACTOR's records pertaining to this Contract, including all documents and information relating to the certified monitoring reports. CONTRACTOR is required to maintain all such records in California until the expiration of four years from the date of final payment under this Contract. Authorized agents of the COUNTY shall have access to all such records during normal business hours for the entire period that records are to be maintained.
- 50.6 Notification to Employees. CONTRACTOR shall place COUNTY-provided living wage posters at each of CONTRACTOR's places of business and locations where CONTRACTOR's Employees are working. CONTRACTOR shall also distribute COUNTY-provided notices to each of its Employees at least once per year. CONTRACTOR shall translate into Spanish and any other language spoken by a significant number of Employees the posters and handouts.
- 50.7 Enforcement and Remedies. If CONTRACTOR fails to comply with the requirements of this Section 50.0, the COUNTY shall have the rights and remedies described in this Section 50.0 in addition to any rights and remedies provided by law or equity.

50.7.1 Remedies For Submission of Late or Incomplete Certified Monitoring Reports. If CONTRACTOR submits a certified monitoring report to the COUNTY after the date it is due or if the report submitted does not contain all of the required information or is inaccurate or is not properly certified, any such deficiency shall constitute a breach of this Contract. In the event of any such breach, the COUNTY may, in its sole discretion, exercise any or all of the following rights/remedies:

50.7.1.1 Withholding Payment. If CONTRACTOR fails to submit accurate, complete, timely and properly certified monitoring reports, the COUNTY may withhold from payment to CONTRACTOR up to the full amount of any invoice that would otherwise be due, until CONTRACTOR has satisfied the concerns of the COUNTY, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

50.7.1.2 Liquidated Damages. It is mutually understood and agreed that CONTRACTOR's failure to submit an accurate, complete, timely and properly certified monitoring report will result in damages being sustained by the COUNTY. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for CONTRACTOR's breach. Therefore, in the event that a certified monitoring report is deficient, including but not limited to being late, inaccurate, incomplete or uncertified, it is agreed that the COUNTY may, in its sole discretion, assess against CONTRACTOR liquidated damages in the amount of \$100 per monitoring report for each day until the COUNTY has been provided with a properly prepared, complete and certified monitoring report. The COUNTY may deduct liquidated damages from any payments otherwise due CONTRACTOR.

50.7.1.3 Termination. CONTRACTOR's failure to submit an accurate, complete, timely and properly certified monitoring report may constitute a material breach of this Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate this Contract.

50.7.2 Remedies for Payment of Less Than the Required Living Wage. If CONTRACTOR fails to pay any Employee at least the applicable hourly living wage rate, such deficiency shall constitute a breach of this Contract. In the event of any such breach, the COUNTY may, in its sole discretion, exercise any or all of the following rights/remedies:

50.7.2.1 Withholding Payment. If CONTRACTOR fails to pay one or more of its Employees at least the applicable hourly living wage rate, the COUNTY may withhold from any payment otherwise due CONTRACTOR the aggregate difference between the living wage amounts CONTRACTOR was required to pay its Employees for a given pay period and the amount actually paid to the Employees for that pay period. The COUNTY may withhold said amount until CONTRACTOR has satisfied the COUNTY that any underpayment has been cured, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

50.7.2.2 Liquidated Damages. It is mutually understood and agreed that CONTRACTOR's failure to pay any of its Employees at least the applicable hourly living wage rate will result in damages being sustained by the COUNTY. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for CONTRACTOR's breach. Therefore, it is agreed that the COUNTY may, in its sole discretion, assess against CONTRACTOR liquidated damages of \$50.00 per Employee per day for each and every instance of an underpayment to

an Employee. The COUNTY may deduct assessed liquidated damages from any payments otherwise due CONTRACTOR.

50.7.2.3 Termination. CONTRACTOR's failure to pay any of its Employees the applicable hourly living wage rate may constitute a material breach of this Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate this Contract.

50.7.3 Debarment. In the event CONTRACTOR breaches a requirement of this Section 50.0, the COUNTY may, in its sole discretion, bar CONTRACTOR from the award of future COUNTY Contracts for a period of time consistent with the seriousness of the breach, not to exceed three years.

- 50.8 Use of Full-Time Employees. CONTRACTOR shall assign and use full-time Employees of CONTRACTOR to provide services under this Contract unless CONTRACTOR can demonstrate to the satisfaction of the COUNTY that it is necessary to use non-full-time Employees based on staffing efficiency or COUNTY requirements for the work to be performed under this Contract. It is understood and agreed that CONTRACTOR shall not, under any circumstances, use non-full-time Employees for services provided under this Contract unless and until the COUNTY has provided written authorization for the use of same. CONTRACTOR submitted with its proposal a full-time Employee staffing plan. CONTRACTOR shall immediately provide a copy of the new staffing plan to the COUNTY.
- 50.9 CONTRACTOR Retaliation Prohibited. CONTRACTOR and/or its Employees shall not take any adverse action which would result in the loss of any benefit of employment, any contract benefit, or any statutory benefit for any Employee, person or entity who has reported a violation of the Program to the COUNTY or to any other public or private agency, entity or person. A violation of the provisions of this paragraph may constitute a material breach of this Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate this Contract.
- 50.10 CONTRACTOR Standards. During the term of this Contract, CONTRACTOR shall maintain business stability, integrity in Employee relations and the financial ability to pay a living wage to its Employees. If requested to do so by the COUNTY, CONTRACTOR shall demonstrate to the satisfaction of the COUNTY that CONTRACTOR is complying with this requirement.

50.11 Neutrality in Labor Relations. CONTRACTOR shall not use any consideration received under this Contract to hinder, or to further, organization of, or bargaining, or to any expenditure pursuant to obligations incurred under a bona fide collective bargaining agreement, or which would otherwise be permitted under the provisions of the National Labor Relations Act.

51.0 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY 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 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 Exhibit N of this Contract and is also available on the Internet at: www.babysafela.org for printing purposes.

52.0 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

CONTRACTOR acknowledges that the COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law. CONTRACTOR understands that it is the County's policy to encourage all COUNTY Contractors to voluntarily post the COUNTY's "Safely Surrendered Baby Law" poster in a prominent position at the 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. The COUNTY's Department of Children and Family Services will supply the CONTRACTOR with the poster to be used.

53.0 INTERPRETATION OF CONTRACT

53.1 Validity

53.1.1 The invalidity, unenforceability, or illegality of any provision of this Contract shall not render the other provisions thereof invalid, unenforceable, or illegal.

53.2 Governing Laws, Jurisdiction and Venue

53.2.1 This Contract shall be construed in accordance with and governed by the laws of the State of California. 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, California.

53.3 Captions and Section Headings

Each paragraph and certain subparagraphs of this Contract have been supplied with captions which serve only as guides to the contents. The captions do not control the meaning of any paragraph or subparagraph or in any way determine this Contract's interpretation or meaning.

53.4 Waiver

Any waiver by COUNTY of any breach of any one or more of the covenants, conditions, terms and Contracts herein contained shall be in writing and shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or Contract herein contained, nor shall failure on the part of COUNTY to require exact, full and complete compliance with any of the covenants, conditions, terms or Contracts herein contained be construed as in any manner changing the terms of this Contract or stopping COUNTY from enforcing the full provisions thereof.

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

CASE STORAGE AND RETRIEVAL SERVICES

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Contract to be subscribed by its Chair and the seal of such Board to be hereto affixed and attested by the Executive Office thereof, and CONTRACTOR has caused this Contract to be subscribed in its behalf by its duly authorized officer as of the day, month and year first above written. The persons signing on behalf of the CONTRACTOR warrant under penalty of perjury that he or she is authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk of the
Los Angeles County
Board of Supervisors

By _____

GRM INFORMATION MANAGEMENT
SERVICES OF CALIFORNIA, LLC

CONTRACTOR

By _____

Name _____

Title _____

By _____

Name _____

Title _____

Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL

BY _____
Senior Deputy County Counsel

CASE STORAGE AND RETRIEVAL SERVICES

STATEMENT OF WORK

1.0 PREAMBLE

For nearly a decade, the County of Los Angeles (COUNTY) has collaborated with its community partners to enhance the capacity of the health and human services system to improve the lives of children and families. These efforts require, as a fundamental expectation, that the COUNTY'S contracting partners share the COUNTY and community's commitment to provide health and human services that support achievement of the COUNTY'S vision, goals, values, and adopted outcomes. Key to these efforts is the integration of service delivery systems and the adoption of the Customer Service and Satisfaction Standards.

The County of Los Angeles' Vision is to improve the quality of life in the County by providing responsive, efficient, and high quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, business and communities. This philosophy of teamwork and collaboration is anchored in the shared values of:

- | | |
|-------------------|-------------------------|
| ➤ Responsiveness | ➤ Integrity |
| ➤ Professionalism | ➤ Commitment |
| ➤ Accountability | ➤ A Can-Do Attitude |
| ➤ Compassion | ➤ Respect for Diversity |

These shared values are encompassed in the COUNTY Strategic Plan, which includes the five following goals: 1) Service Excellence, 2) Workforce Excellence, 3) Organizational Effectiveness, 4) Fiscal Responsibility, and 5) Children and Families' Well-Being. Improving the well-being of children and families requires coordination, collaboration, and integration of services across functional and jurisdictional boundaries, by and between COUNTY departments/agencies, and community and contracting partners.

The basic conditions that represent the well-being we seek for all children and families in Los Angeles COUNTY are delineated in the following five outcomes, adopted by the Board of Supervisors in January 1993.

- Good Health;
- Economic Well-Being;
- Safety and Survival;
- Emotional and Social Well-Being; and
- Education and Workforce Readiness.

Recognizing no single strategy - in isolation - can achieve the COUNTY'S outcomes of well-being for children and families, consensus has emerged among COUNTY and community leaders that making substantial improvements in integrating the COUNTY'S health and human services system is necessary to significantly move toward achieving these outcomes. The COUNTY has also established the values and goals for guiding this effort to integrate the health and human services delivery system.

The COUNTY, its clients, contracting partners, and the community are working together to develop practical ways to make COUNTY services more accessible, customer friendly, better integrated, and outcome-focused. Several departments have identified shared themes in their strategic plans for achieving these goals including: making an effort to become more consumer/client-focused; valuing community partnerships and collaborations; emphasizing values and integrity; and using a strengths-based and multi-disciplinary team approach. COUNTY departments are also working to provide the Board of Supervisors and the community with a better understanding of how resources are being utilized, how well services are being provided, and what are the results of the services: is anyone better off?

The COUNTY of Los Angeles health and human service departments and their partners are working together to achieve the following **Customer Service And Satisfaction Standards** in support of improving outcomes for children and families.

Personal Service Delivery

The service delivery team – staff and volunteers – will treat customers and each other with courtesy, dignity, and respect.

- Introduce themselves by name
- Listen carefully and patiently to customers
- Be responsive to cultural and linguistic needs
- Explain procedures clearly
- Build on the strengths of families and communities

Service Access

Service providers will work proactively to facilitate customer access to services.

- Provide services as promptly as possible
- Provide clear directions and service information
- Outreach to the community and promote available services
- Involve families in service plan development
- Follow-up to ensure appropriate delivery of services

Service Environment

Service providers will deliver services in a clean, safe, and welcoming environment, which supports the effective delivery of services.

- Ensure a safe environment
- Ensure a professional atmosphere
- Display vision, mission, and values statements
- Provide a clean and comfortable waiting area
- Ensure privacy
- Post complaint and appeals procedures

The basis for all COUNTY health and human services contracts is the provision of the highest level of quality services that support improved outcomes for children and families. The COUNTY and its contracting partners must work together and share a commitment to achieve a common vision, goals, outcomes, and standards for providing services.

2.0 INTRODUCTION

The Los Angeles County Department of Children and Family Services (DCFS) provides protective services to abused and neglected children and their families, and is responsible for safely maintaining and storing case files of these services in strict confidence in accordance with the law. The case files relate to foster care, custody, and legal representation of children who receive services from the COUNTY.

New files are sent to storage on a daily basis and existing files are retrieved and returned daily. Approximately 800,000 case files and 5,000 boxes of miscellaneous documents exist which are currently being stored under contract, most of which are maintained on open shelving. Of that total, approximately 650,000 case files are identified as Protective Services case files, approximately 100,000 are identified as Adoption case files, and approximately 50,000 are identified as Juvenile Index case files.

The successful Proposer will be required to transport all case files from the current Contractor's facility to their facility, inventory each case file and store all case files, as specified in this RFP, for the term of the contract.

Most case files have been closed. However, cases are often re-opened resulting in a need to retrieve closed case files. During the performance of the contract, up to thirty-two (32) DCFS facilities will be retrieving, an average of, approximately 2,500 case files per month, although this number may be higher. These files are eventually returned for re-filing. The transportation of retrieved, returned and new case files will be handled by a courier service under contract with the COUNTY.

3.0 DEFINITIONS

3.1 Case File

Case File is defined as a collection of related documents. The case file will vary in size. All case file folders measure 11 $\frac{3}{4}$ inches by 9 $\frac{3}{4}$ inches or 14 inches by 9 $\frac{3}{4}$ inches with folder expansions of 1 inch to 4 inches. Case Files are divided into three types:

- A. Child Protective Case Files: A folder measuring 11 $\frac{3}{4}$ inches by 9 $\frac{3}{4}$ inches consisting of case related documents.
- B. Juvenile Index Files: Files consisting of case related documents in a folder measuring 14 inches by 9 $\frac{3}{4}$.
- C. Adoption Case Files: Case related documents in folders measuring 11 $\frac{3}{4}$ inches by 9 $\frac{3}{4}$ inches and/or folders measuring 14 inches by 9 $\frac{3}{4}$ inches.

3.2 Case Name

The case name will be the either the name of the parent, child or adoptive applicant. The case name is determined by COUNTY and indicated on the transmittal document.

3.3 Case Number

The case number is an identifier that can be entirely numerical, alphanumeric, or a mixture of numbers and letters. Each case file is identified by a unique number containing 5, 6, 7, 19 or 20 digits, as follows:

- 3.3.1 The 5, 6, and 7-digit case file numbers may or may not have a four (4)-digit prefix designating the responsible County and an aid category. The first two (2)-digits of the prefix are always 19, the code for Los Angeles County. The four (4) digit prefix number is not part of the case file number. For example a case file may have been initiated as a case with a prefix of 1931, closed and then reopened as a placement case with a prefix of 1941. However, the case number following the case prefix number is unique and will always remain the same.
- 3.3.2 The 19-digit case file number is a mixture of numbers and letters. The case record is inventoried, filed and retrieved on the basis of the 19-digit number/alpha case number.

3.3.3 The 5, 6, and 19-digit case numbers may be preceded by a letter. The letter represents a specific Adoptions case classification such as:

- A = Applicant
- C = Client
- H = Home Study
- I = Out of Town Inquiry
- S = Courtesy Supervision
- T = Step-parent

The preceding letters are vitally important and must be used in case file identification.

The case file is inventoried, filed and retrieved on the basis of the prefix letter followed by the case file number.

3.4 Close Date or Termination Date

Close Date or Termination Date is the date assigned by the COUNTY indicating the close or termination of a particular case.

3.5 Inventory

Inventory is defined as the total number of case files including Protective Services Case Files, Juvenile Index Case Files, Adoption Case Files and the total number of boxes of documents stored at CONTRACTOR'S storage facility.

3.6 Inventory System

Inventory System is defined as the method used by which the CONTRACTOR maintains a data base of closed cases and boxes of documents in storage.

3.7 Performance Requirements Summary

Performance Requirements Summary (PRS) is the chart contained in Exhibit A1, which identifies the key requirements of the CONTRACTOR that COUNTY will utilize to evaluate and ensure that the performance standards of the Contract are met by CONTRACTOR.

3.8 Transmittals

Transmittals are the forms used by COUNTY to send case files to the CONTRACTOR. These forms will be computer-generated, typewritten or legibly handwritten in English which will list the case name and case file

number and close date (for new inventory) of each case submitted and the code number of the submitting DCFS office as referenced in Sections 11.1 and 11.2.

4.0 PROGRAM MANAGEMENT

4.1 COUNTY has designated a COUNTY Program Manager responsible for daily management of Contract operation and overseeing monitoring activities. The COUNTY Program Manager is identified as:

Virpi Sidler, Program Manager
County of Los Angeles
Department of Children and Family Services
425 Shatto Place, Room 306
Los Angeles, CA 90020

4.2 CONTRACTOR shall designate a Project Manager responsible for daily management of Contract operation and overseeing the work to be performed by CONTRACTOR as defined in this Statement of Work. The CONTRACTOR'S Project Manager is identified as:

Scott Starkey

Lev Spivak

4901 Zambrano

Commerce, CA 90040

4.3 CONTRACTOR shall not schedule or conduct any meetings or negotiations under this Contract on behalf of the COUNTY or DCFS.

4.4 Overall project coordination between CONTRACTOR and COUNTY shall be through COUNTY'S Program Manager or designee and the CONTRACTOR'S Project Manager, authorized representative(s) or their designated alternates.

5.0 CONTRACTOR'S GENERAL RESPONSIBILITIES

5.1 CONTRACTOR shall make arrangements to transport all COUNTY case files and records from the previous CONTRACTOR'S facility to their storage facility and shall inventory all case files and records with the assistance of COUNTY staff. This action shall take place two weeks prior to the start of the Contract or as determined by the COUNTY Program Manager.

5.2 Receiving, Inventorying, Filing and Re-Filing Case Files and Records

Upon receipt of case files and records from COUNTY, CONTRACTOR shall check the accompanying transmittal form submitted by COUNTY and verify that case files and records listed on the transmittal form have in fact been received by CONTRACTOR.

- 5.2.1 Case files and records, received by CONTRACTOR, which are not accurately described on the transmittal form, shall be returned by CONTRACTOR. Transmittals shall be returned to the DCFS sending office with appropriate notation indicating what is missing from the transmittal form and without charge to COUNTY.
- 5.2.2 CONTRACTOR shall store COUNTY'S case files and records together in an area designated for COUNTY'S case files and records. COUNTY'S case files and records shall be segregated, as specified herein, and stored separately from other client records.
- 5.2.3 CONTRACTOR shall inventory and refile all case files and records within two hours from the time that they are received from COUNTY.
- 5.2.4 CONTRACTOR is responsible for file storage until COUNTY schedules files for destruction.
- 5.2.5 COUNTY has a current contract to provide for destruction of case files and records. COUNTY shall be responsible for said destruction throughout the term of this Contract.

IN NO EVENT SHALL CONTRACTOR, OR ANY OF CONTRACTOR'S AGENTS, DESTROY OR CAUSE TO BE DESTROYED, ANY CASE FILE OR RECORD.

5.3 Storage of Case Files and Records

After CONTRACTOR has completed the receiving and processing functions indicated in Section 5.2 above, CONTRACTOR shall store case files according to type, as indicated in Subsections 5.3.3, 5.3.4, 5.3.5, 5.3.6 and 5.3.7 below.

- 5.3.1 Any changes to the method of storage described in Section 5.3 must be approved in writing by the COUNTY Program Manager prior to implementation.
- 5.3.2 Should it become necessary for COUNTY or another Contractor to assume the function of storing and retrieving COUNTY case files

and records, the method of storage shall remain intact making it possible for the COUNTY or another Contractor to assume this function.

5.3.3 Storage of Protective Services Case Files: Protective Services case files shall be stored by **case number**. These case files shall be stored separate from, and not integrated with, other COUNTY records. CONTRACTOR shall cross-reference their inventory database, case name to case number.

5.3.3.1 Each case file is identified by a unique case number. The case number may or may not have a four-digit prefix. This four-digit prefix, if any, shall be disregarded for the purpose of case file numbering, identification, retrieval and/or storage.

5.3.3.2 CONTRACTOR shall inventory, store, and retrieve the case file on the basis of the case number.

5.3.3.3 Protective Services case files shall be stored and retrieved by CONTRACTOR until they are scheduled by COUNTY for destruction.

5.3.4 Storage of Juvenile Index Case Files: Juvenile Index case files shall be stored **alphabetically by last name of case name, which is the last name of the oldest child**.

5.3.5 Storage of Adoption Case Files: CONTRACTOR shall store Adoptions case files as follows:

5.3.5.1 Section I will be labeled “Final Adoption Cases Retained permanently.”

5.3.5.1.1 Final Adoption case files are filed numerically by the “A” (Applicant) number.

5.3.5.1.2 Final Adoption case files are cross-referenced with the Applicant’s name and number, the Adoptive Child’s name and “C” (Client) number.

5.3.5.2 Section II shall be labeled “Other Adoption Cases.”

5.3.5.2.1 These case files are filed alphabetically by case name and they are cross-referenced with the “C” (Client) number.

- 5.3.5.3 Section III shall contain all Adoption case files, which ARE NOT required to be retained permanently.
- 5.3.5.3.1 The cases are filed alphabetically by case name and by year of closing.
- 5.3.5.3.2 They are cross-referenced with the case number.
- 5.3.5.3.3 The cases may be retrieved by requesting the case name or case number.
- 5.3.5.3.4 The cases are stamped "Time Controlled"
- 5.3.6 Storage of Sensitive/High Profile Files: CONTRACTOR must provide a locked filing system for the storage of high profile/sensitive case files. The designation of high profile/sensitive will be made by the COUNTY Program Manager.
- 5.3.7 Storage of Other DCFS Records: During the term of the Contract, COUNTY may require CONTRACTOR to store other miscellaneous COUNTY records in addition to those indicated in 5.3.3, 5.3.4 and 5.3.5 above. The number of case files CONTRACTOR shall store may increase during the term of the Contract.
- 5.3.8 Release of Case Files: Except for the retrieval of case files and records, as provided herein, or as otherwise expressly authorized by COUNTY Program Manager, or pursuant to a valid court order, CONTRACTOR shall not release a case file or record, or any part thereof, to anyone. If CONTRACTOR should be asked to accept a subpoena for a closed case file, he shall notify the server of the subpoena that the Custodian of Records is located at DCFS Administrative Headquarters Office at 425 Shatto Place, Room 600, Los Angeles, California 90020 and that the subpoena should appropriately be served at that address.
- 5.3.9 Other COUNTY or Governmental Agency Request
- Should CONTRACTOR receive requests for case files, the CONTRACTOR shall forward such request to the COUNTY'S Program Manager. COUNTY shall request retrieval of cases and documents by submitting a written request by email, or by faxing, or by mailing a request for document as provided in 11.3.

5.4 Retrieval of Case Files

CONTRACTOR shall be responsible for the timely retrieval of requested case files and records as described in Sections 5.4.3 and 5.4.4 below. CONTRACTOR shall prepare case files (packaging and addressing) for delivery to COUNTY by COUNTY'S contracted messenger service within 24 hours from the time of request. COUNTY will sign for requested case files upon delivery. The number of case files CONTRACTOR shall retrieve may increase during the term of the Contract.

CONTRACTOR shall update its Inventory System to show the status of a case file or record (Out or In Storage), the COUNTY office which requested it, the date of request, the request as regular or emergency, and the date the case file was picked up for delivery.

5.4.1 Juvenile Index case files shall be retrieved by case name and the closing date and year dependency status was terminated by the court.

5.4.2 Final Adoption case files may be retrieved by requesting the appropriate "A" number and Applicant name or by the "C" Number.

These case files are retrieved by requesting the case name and the "C" number.

5.4.3 Regular Request

COUNTY shall make request by mail, fax, or e-mail. The CONTRACTOR shall retrieve and prepare case files and records requested by COUNTY within 24 hours of receipt of the written request. COUNTY'S messenger services will make daily stops at CONTRACTOR'S facility and pick-up all case files and records ready for delivery to COUNTY.

5.4.4 Emergency Request

COUNTY'S Program Manager or designee will be requesting emergency retrieval of case files by fax or e-mail. CONTRACTOR shall retrieve these case files within two hours that these requests are received. CONTRACTOR shall make a reasonable effort to process emergency requests received after 3:00 P.M on the same day that they are received. CONTRACTOR will receive a signed receipt, which includes the time of receipt of the requested case file(s). CONTRACTOR shall, upon receipt of emergency requests, contact COUNTY'S Messenger Services Contractor to arrange a

time for same-day-pick-up and delivery of case files and records requested on an emergency basis.

5.5 Contingency Plan for Work Stoppage

In the event of any work stoppage caused by any labor dispute, CONTRACTOR shall continue all phases of the storage and retrieval services specified herein. CONTRACTOR shall submit to the COUNTY Program Manager, in writing, a plan to continue services in the event that there is such a work stoppage within twenty-four (24) hours of the beginning of such dispute.

5.6 Monthly Management Report

CONTRACTOR shall provide COUNTY with a monthly report that includes separate workload statistics for Protective Services, Adoptions, Juvenile Index case files and other COUNTY records. These statistics shall include, but shall not be limited to, receipts of case files, regular retrievals, emergent retrievals, re-files, and number of boxes of records and case files in storage. CONTRACTOR shall submit the Monthly Management Report to the COUNTY Program Manager on the 15th day of each month documenting case file activity for the previous month. The COUNTY Program Manager shall review this report and compare the reported statistics to the reports generated from the DCFS Regional offices.

5.7 Contract Discrepancy Reports

5.7.1 Verbal notification of discrepancies or problems with CONTRACTOR will be made to the CONTRACTOR'S Project Manager or designee as soon as possible whenever a contract discrepancy is identified. COUNTY's Program Manager shall try to resolve the problem.

5.7.2 The COUNTY Program Manager will determine whether a formal Contract Discrepancy Report (Exhibit A2) shall be issued.

5.7.3 If a Contract Discrepancy Report is issued, it will be mailed or hand delivered to the CONTRACTOR'S Project Manager.

5.7.4 Upon receipt of this document, CONTRACTOR is required to respond in writing to the COUNTY Program Manager within five (5) business days, acknowledging the reported discrepancies or present contrary evidence, and present a plan for immediate correction of all failures of performance identified in the Contract Discrepancy Report.

The COUNTY has the right to adjust the rate of compensation in the case of non-compliance with the corrective plan, or failure to resolve the discrepancy as agreed by the COUNTY and the CONTRACTOR as outlined in Performance Requirements, Exhibit A1.

5.8 Hours and Days of Operation

5.8.1 CONTRACTOR shall maintain office hours of 8:00 A.M. to 5:00 P.M., Monday through Friday.

5.8.2 Recognized Holidays- CONTRACTOR is not required to provide services on COUNTY recognized holidays. These holidays may vary from year to year, however, in 2003 the following holidays were recognized:

New Year's Day
Martin Luther King Day
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day

5.9 Required Meetings

CONTRACTOR shall attend all meetings requested by COUNTY. COUNTY will notify CONTRACTOR of such meetings at least three (3) business days in advance. CONTRACTOR may request meetings with COUNTY as needed with three (3) business days advance notice. The advance notice requirement may be waived with the mutual consent of both CONTRACTOR and COUNTY.

5.10 Equipment

CONTRACTOR shall provide all computers, typewriters, photocopy equipment, and any other additional items of equipment necessary to meet contract requirements.

5.11 Inventory System

CONTRACTOR shall maintain a computerized inventory system that shall be continuously updated with COUNTY case file and record activity

information during the term of this Contract. CONTRACTOR shall provide COUNTY Program Manager with an inventory record (electronic form) of case files and record activity, which shall include case numbers, case names, close dates, box numbers, case status and activity. The inventory record shall indicate all new case files and records received during each month and shall be given to COUNTY by the fifteenth (15) of each month.

Upon the expiration or cancellation of this Contract, CONTRACTOR shall provide COUNTY with a final inventory record of case file and record activity, as described above. CONTRACTOR warrants that inventory records, provided in electronic form, shall be compatible with COUNTY equipment.

5.12 Software Development

COUNTY and CONTRACTOR agree that all software and data developed by CONTRACTOR for performance of required work under this Contract shall become the sole property of COUNTY upon termination or expiration of this Contract.

5.13 Storage Space

CONTRACTOR shall furnish a sufficient amount of storage space, with shelving and racks for storing and maintaining COUNTY'S case files and records and for providing the services as described herein.

5.14 List of Storage and Office locations

CONTRACTOR shall provide COUNTY with a list of all CONTRACTOR'S administrative office(s) and storage locations at the time of Contract award.

5.15 Confidentiality, Security and Control Procedures

CONTRACTOR shall employ all actions to preserve COUNTY property (i.e., COUNTY Case files and records) and data from loss, damage or from entering into the hands of unauthorized individuals. Only CONTRACTOR'S authorized personnel shall handle and have access to the case files and records, except for those persons authorized by COUNTY.

CONTRACTOR shall implement the following procedures for the purpose of providing optimum security and control while maintaining COUNTY'S case files and records. CONTRACTOR and its staff shall follow the procedures listed below at all times for the duration of this Contract.

- 5.15.1 CONTRACTOR shall maintain all COUNTY'S case files and records in a separate area of its storage facility.
- 5.15.2 CONTRACTOR shall perform quality checks on the accuracy of the inventory, and monitor the processing of COUNTY'S case file requests to ensure a timely response. CONTRACTOR'S Project Manager shall perform such quality checks on a weekly basis to ensure services are being performed in accordance with the provisions of this Contract.
- 5.15.3 CONTRACTOR'S storage facility shall be equipped with intrusion alarms, surveillance cameras, auto-shut steel doors and an automatic water sprinkler system. CONTRACTOR shall maintain such equipment and ensure that the auto-shut steel doors and water sprinkler system meet Los Angeles County Fire Department Codes.
- 5.15.4 CONTRACTOR shall cross-train existing employees to serve as back-up to those servicing the DCFS account. CONTRACTOR shall maintain and provide a total of five (5) cross-trained and experienced employees who shall be re-assigned to service the DCFS account should the regularly assigned staff be unavailable.
- 5.15.5 CONTRACTOR shall provide security surveillance on-site at all times on its premises which are used for storing COUNTY case files and records.
- 5.15.6 CONTRACTOR shall provide an initial training seminar to its full-time, part-time and back-up employees who are involved in servicing the DCFS account. Such employees shall be trained in all aspects of document retrieval and handling, including proper equipment maintenance and work safety. CONTRACTOR shall train such employees on the procedures for handling DCFS' case files and records. Training shall be conducted by CONTRACTOR'S qualified staff.
- 5.15.7 CONTRACTOR shall provide the COUNTY Program Manager with the pager numbers to CONTRACTOR'S Project Manager and alternate and other key employees for 24-hour access.
- 5.15.8 CONTRACTOR shall maintain any equipment used in servicing the DCFS account, including, but not limited to racks, shelves and pallet jacks. CONTRACTOR shall maintain such equipment in accordance with manufacturers' maintenance recommendations and any laws or codes pertaining to such maintenance.

5.15.9 CONTRACTOR shall provide the COUNTY Program Manager with updates of contact names and numbers when any changes occur.

5.16 Disaster Recovery Plan

CONTRACTOR shall develop the following plan for the purpose of maintaining optimum levels of service, security and control in the event of a disaster, natural or otherwise. CONTRACTOR and its staff shall follow these procedures should a disaster occur during the term of this Contract.

5.16.1 CONTRACTOR shall maintain battery back-up for its computers allowing uninterrupted service during a power failure.

CONTRACTOR shall back-up its computer system on a daily basis and maintain back-up data on a daily basis, at an off-site location.

5.16.2 In case of emergency, CONTRACTOR shall immediately notify the COUNTY Program Manager as to the status and condition of COUNTY'S case files and records.

5.16.3 CONTRACTOR shall be responsible for notifying COUNTY'S Program Manager of any plans to re-locate any COUNTY'S case files and records to another facility. Upon receiving approval from COUNTY'S Program Manager, CONTRACTOR shall coordinate and schedule such a re-location to the designated back-up facility or any other facility agreed upon.

5.16.4 CONTRACTOR shall have a disaster contingency plan in place twenty-four (24) hours per day, 7 days a week.

6.0 COUNTY'S GENERAL RESPONSIBILITIES

6.1 COUNTY shall provide staff to work with CONTRACTOR'S staff to conduct a complete inventory of COUNTY'S case files and records currently in storage. This action shall take place two weeks prior to the start of the Contract or as determined by the COUNTY Program Manager.

6.2 COUNTY shall provide an orientation for a newly selected CONTRACTOR without additional compensation for the CONTRACTOR'S attendance. The orientation may include a visit to the facility where DCFS records are stored and may begin the day following award of the Contract by the COUNTY'S Board of Supervisors. CONTRACTOR shall not be reimbursed for the time spent during the orientation.

7.0 SCOPE OF WORK

7.1 Scope of Work

CONTRACTOR shall provide labor, storage space, telephone services, utilities, equipment, supplies and forms necessary to store and retrieve closed case files and other documents. CONTRACTOR shall maintain control, order and confidentiality of these records.

7.2 Key COUNTY Personnel

7.2.1 COUNTY Program Manager

The COUNTY Program Manager or designee has full authority to supervise CONTRACTOR'S performance in the daily operation of this Contract.

7.2.2 The COUNTY Program Manager shall provide direction to CONTRACTOR in areas relating to DCFS policy, information and procedural requirements.

7.2.3 The COUNTY Program Manager is not authorized to make any changes to the terms and conditions of this Contract and is not authorized to obligate the COUNTY of Los Angeles in any way whatsoever.

7.3 Key CONTRACTOR Personnel

7.3.1 CONTRACTOR'S Project Manager

CONTRACTOR shall provide a Project Manager who shall be responsible for the performance of the work set forth in this Statement of Work. The name of the Project Manager and an alternate who can act for the Project Manager in his or her absence shall be designated in writing to the COUNTY Program Manager prior to the Contract start date.

7.3.2 CONTRACTOR'S Project Manager and alternate shall have full authority to act for the CONTRACTOR on all matters relating to the daily operation of this Contract.

7.3.3 CONTRACTOR'S Project Manager or alternate shall be available between 8:00 A.M. and 5:00 P.M., Monday through Friday, except COUNTY recognized holidays (see Section 5.8.2). The Project Manager shall provide the COUNTY Program Manager with a telephone number and pager number that can be accessed by

COUNTY Program Manager during business hours and emergencies.

7.3.4 CONTRACTOR'S Project Manager and alternate must be able to read, write, speak and understand English.

7.3.5 CONTRACTOR'S Project Manager and any designated alternate shall be identified prior to Contract award and adjudged acceptable by the COUNTY Program Manager.

7.3.6 Any changes in the CONTRACTOR'S Project Manager and designated alternate shall be subject to advance written approval by the COUNTY Program Manager.

7.3.7 Other CONTRACTOR Personnel

All other CONTRACTOR personnel who may have contact with COUNTY personnel during the performance of work under this Contract must read, write, speak, and understand English.

8.0 QUALITY CONTROL

CONTRACTOR shall establish and maintain a Quality Control plan to assure that the requirements of the Contract are met. The plan shall be submitted as part of the proposal (see RFP, Part A, Section 4.2.6). An updated copy must be provided to the COUNTY Program Manager at the start of the contract and as changes occur. The plan shall include, but not be limited to, the following:

8.1 A monitoring system covering all services listed in Exhibit A1, Performance Requirements Summary. It must specify the methods for identifying and preventing deficiencies in the quality of service provided before the level of performance becomes unacceptable.

The plan must include the following:

Specific activities to be monitored;

Methods of monitoring to be used, to include, but not be limited to, methods of verifying authenticity of reports, controls and prevention of fraudulent activities;

Frequency of monitoring;

Samples of forms to be used in monitoring; and

Title/level and qualifications of personnel performing monitoring functions.

- 8.2 Records of all inspections conducted by CONTRACTOR, contain corrective action taken, and the time elapsed between identification of a problem and completed corrective actions.
- 8.3 The method for continuing to assure provision of services to the COUNTY in the event of a strike of CONTRACTOR'S employees.

9.0 QUALITY ASSURANCE

- 9.1 The COUNTY Program Manager and the COUNTY Quality Assurance Evaluator shall monitor CONTRACTOR'S performance under this Contract using the quality assurance procedures specified in Exhibit A1, Performance Requirements Summary, or any other such procedures necessary to ensure that CONTRACTOR is performing services in accordance with the provisions of this Contract.
- 9.2 Performance evaluation meetings shall be held jointly by the COUNTY Program Manager, COUNTY Quality Assurance Evaluator and the CONTRACTOR'S Project Manager, and as often as deemed necessary by the COUNTY Program Manager.

10.0 GOVERNMENT OBSERVATIONS

Federal, State, and/or COUNTY personnel, in addition to DCFS contracting staff, may observe performance activities and documents under this Contract at any time during normal working hours. However, such personnel may not unreasonably interfere with CONTRACTOR'S performance.

11.0 FORMS

Forms applicable to the Statement of Work are listed and described below. COUNTY shall notify CONTRACTOR as to any changes to forms or additional forms necessary to the performance of work before and after the Contractor's commencement date. All forms listed below will be completed by COUNTY staff and forwarded to CONTRACTOR for required action (i.e., to receive and store, retrieve and refile a case file or box).

- 11.1 DCFS-6 and DCFS 6-1 are "Transmittal" forms on which case files and/or documents being sent to storage are listed.
- 11.2 DCFS 6-2 is a "Closed Case Transmittal" form on which case files being sent to storage are listed.
- 11.3 DCFS 2241 is a "Closed Case Retrieval Request" form, which is used to retrieve a "Closed Case". COUNTY staff may fax or mail this form to CONTRACTOR or email the information required for the request.

**CASE STORAGE AND RETRIEVAL SERVICES
PERFORMANCE REQUIREMENTS SUMMARY**

	REQUIRED SERVICE	STANDARD	REMEDIES/ DEDUCTION FROM CONTRACT PRICE FOR EXCEEDING ACCEPTABLE QUALITY LEVEL/CREDIT AGAINST MONTHLY INVOICE PAYMENTS
1	Transfer cases/boxes to Contractor	Contractor receives and stores all cases and boxes separately according to category and accurately lists on inventory system to ensure record/box retrieval	\$10.00 per Case or Box not accounted for in excess of allowable deviation plus any additional cost incurred by the County, if any, as a result of a lost Case or Box while under the responsibility of the Contractor.
2	Provide Case Storage and Retrieval Services for DCFS	Provide labor, supervision, consultation, materials, equipment, reports, schedules, etc. in compliance with all laws; EEO and non-discrimination, Civil Rights and Child/Elder Abuse reporting responsibilities.	\$50.00 per occurrence/case
3	Receive and inventory DCFS case files and records.	Inventory all case files and records within 24 hours from the time of receipt, on the day that they are received.	\$10.00 per occurrence/case
4	File new case files and records, Re-file returned case files and records.	File and Re-file within 24 hours after being inventoried, on the day that such case files and records are received.	\$10.00 per occurrence/case
5	Store and maintain case files and records.	Safely store case files and records, in accordance with the provisions herein; maintain inventory and confidentiality of case files and records.	\$50.00 per occurrence/case
6	Box new case files and records as instructed by DCFS authorized staff.	Place case files and records in boxes in accordance with the provisions of this Agreement or as instructed by DCFS authorized staff.	\$10.00 per occurrence/case

**CASE STORAGE AND RETRIEVAL SERVICES
PERFORMANCE REQUIREMENTS SUMMARY**

	REQUIRED SERVICE	STANDARD	REMEDIES/ DEDUCTION FROM CONTRACT PRICE FOR EXCEEDING ACCEPTABLE QUALITY LEVEL/CREDIT AGAINST MONTHLY INVOICE PAYMENTS
7	Retrieve case files as requested by DCFS authorized staff.	Retrieve case files within 24 hours from receipt of a <u>Regular Request</u> ; and retrieve case files and records in two (2) hours for <u>Emergency Requests</u> .	\$10.00 per occurrence/case
8	Permanently remove boxed files as instructed by DCFS authorized staff.	Remove boxes from storage and prepare for delivery to DCFS or other location(s) as instructed by DCFS authorized staff.	\$10.00 per occurrence/case
9	Respond to all requests, calls, and/or reports in an appropriate manner.	Response to all requests within 24 hours (except to Emergency retrieval requests within 2 hours); correction of problems identified as per consultation with Project Director; Contract Discrepancy Letters within five (5) business days.	\$10.00 per occurrence/case
10	Maintain adequate backup, safeguard case files and ensure their confidentiality.	Maintain backup facility capable of handling DCFS case files in case of disaster; Use of procedures to prevent unauthorized persons from obtaining case file data; Maintain Disaster Recovery Plan; COUNTY notified of any changes. Contractor will in the event of a disaster procure an adequate facility to ensure the continuation of services to COUNTY.	\$50.00 per occurrence/case

PRICING SCHEDULE

GRM Information Management Services of California, LLC

(Legal Name of CONTRACTOR)

This Budget shall contain CONTRACTOR's proposed monthly charge to provide Case Storage and Retrieval Services to all DCFS designated locations. This monthly charge shall be fixed and guaranteed for the contract term, beginning on the date of commencement of services. CONTRACTOR's monthly charge includes, but is not limited to, the following:

- Labor for all proposed services;
- Materials, services, supplies and other identifiable costs for all proposed services; and
- All applicable taxes, including sales taxes.

Indicate below the fixed monthly charge and annual cost:

*Monthly Charge		**Annual Cost
<u>\$23,199</u>	x 12 =	<u>\$278,388</u>

* The monthly charge includes any and all labor and supplies needed to comply with the requirements in Exhibit A, Statement of Work.

** The annual cost shall be reduced by the amount of any invoice credits that may be applied pursuant to the provisions of Exhibit A, Statement of Work. The annual cost includes: (a) all applicable taxes (including sales tax); and (b) initial transfer of approximately 800,000 case files and approximately 5,000 boxes of miscellaneous documents from current storage facility to CONTRACTOR's facility, including all boxes, labor to move case files and records, labor to perform initial inventory and enter case files and record data into the inventory system, and labor to place records into storage as specified in Exhibit A, Statement of Work.

LINE ITEM BUDGET
(9 Month)

CONTRACTOR NAME: GRM Information Management Services of California LLC
CONTRACT: Case Storage and Retrieval Services
BUDGET PERIOD:

BUDGET SUMMARY	
BUDGET CATEGORY	AMOUNT
Personnel	\$ 74,064.00
Employee Benefits at % 36.30	\$ 26,885.25
Travel	\$ -
Equipment	\$ -
Supplies	\$ 3,000.00
Other - Lease Space Rental	\$ 52,500.00
Consultant/Sub-contract	\$ -
Indirect Costs - Depreciation of Equipment	\$ 10,341.75
Income Over Expense	\$ 42,000.00
TOTAL BUDGET	\$ 208,791.00

LINE ITEM BUDGET
(12 Month)

CONTRACTOR NAME: GRM Information Management Services of California LLC
 CONTRACT: Case Storage and Retrieval Services
 BUDGET PERIOD:

BUDGET SUMMARY	
BUDGET CATEGORY	AMOUNT
Personnel	\$ 98,752
Employee Benefits at % 36.30	\$ 35,847
Travel	\$ -
Equipment	\$ -
Supplies	\$ 4,000
Other - Lease Space Rental	\$ 70,000
Consultant/Sub-contract	\$ -
Indirect Costs - Depreciation of Equipment	\$ 13,789
Income Over Expense	\$ 56,000
TOTAL BUDGET	\$ 278,388

CERTIFICATION OF INDEPENDENT PRICE DETERMINATION & ACKNOWLEDGEMENT OF RFP RESTRICTIONS

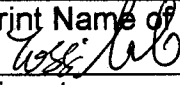
- A. By submission of this Proposal, Proposer certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other Proposer or competitor for the purpose of restricting competition.
- B. List all names and telephone number of person legally authorized to commit the Proposer.

NAME	PHONE NUMBER
Yossi Harel	323-726-5222
Zeke Lopez	323-726-5222

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".
- None

- D. Proposer acknowledges that it has not participated as a consultant in the development, preparation, or selection process associated with this RFP. Proposer understands that if it is determined by the County that the Proposer did participate as a consultant in this RFP process, the County shall reject this proposal.

GEM Information Management Services	
Name of Firm	
Yossi Harel	VP - GM
Print Name of Signer	Title
	January 6, 2007
Signature	Date

PROPOSER'S/OFFEROR'S
EQUAL EMPLOYMENT OPPORTUNITY (EEO) CERTIFICATION

GRM Information Management Services

Legal Name of Agency

4901 Lambrano Road, Commerce CA 90040

Address

22-3653114

Internal Revenue Service Employer Identification Number

GENERAL

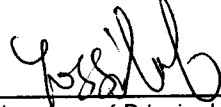
In accordance with the Section 22001, Administrative Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firms, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or 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.

PROPOSER'S CERTIFICATION

1. The proposer has a written policy statement prohibiting discrimination in all phases of employment. YES [] NO []
2. The proposer periodically conducts a self-analysis or utilization analysis of its work force. YES [] NO []
3. The proposer has a system for determining if its employment practices are discriminatory against protected groups. YES [] NO []
4. Where problem areas are identified in employment practices, the proposer has a system for taking reasonable corrective action to include establishment of goals or time tables. YES [] NO []

Yossi Harel - VP - GM

Print Name and Title of Principal Owner, an officer, or manager responsible for submission of the bid or proposal to the County

X 

Authorized Signature of Principal Owner, an officer, or manager responsible for submission of the bid or proposal to the County

January 6, 2004

Date

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

FIRM/ORGANIZATION INFORMATION

INSTRUCTIONS: All proposers/contractors must have this form on file with the Department of Children and Family Services (DCFS) to be considered in compliance with federal, state and local contracting regulations. The information requested below is for statistical purposes only. Categories listed below are based on those described in 49 CFR § 23.5. Complete this form as indicated. **Non-profit firms are exempt from completing this form** – indicate the type of business structure as “Non-profit Organization” and return the form to DCFS.

TYPE OF BUSINESS STRUCTURE: Limited Liability Company

TOTAL NUMBER OF EMPLOYEES IN FIRM (including owners): 55

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
Black/African American	0		6
Hispanic/Latin American	0		29
Asian American	0		3
American Indian/Alaskan Native	0		
Other	1		17
<i>Based on the above categories, please indicate the total numbers of men and women in the firm:</i>			
Women - 15		3	12
Men - 40	1	5	34

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	%	%	%	%	% 100
Women	%	%	%	%	% 0

CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERANS BUSINESS ENTERPRISES

Is your firm currently certified as a minority, women-owned, disadvantaged or disabled veterans business enterprises by a public agency? (If yes, complete the following and attach a copy of your notice of certification).

	M	W	D	DV	Expiration Date
Agency _____	___	___	___	___	_____
Agency _____	___	___	___	___	_____
Agency _____	___	___	___	___	_____

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

LAC/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.

This is to acknowledge that the undersigned, on behalf of himself or herself individually and on behalf of his or her business or organization, is fully aware of the following policy of the County of Los Angeles.

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, retaining or attempting to obtain or retain, acceptance or certification as a minority or women business enterprise, or both, for the purposes 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 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 violates the above, shall be suspended from bidding on, or participating as contractor, subcontractor, or supplier in any County contract or project for a period of three 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 subcontractor 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.

GRM Information Management Services of California LLC

Name of Firm

Ezequiel J Lopez

Print Name and Title of Principal Owner, an officer, or manager responsible for submission of the bid or proposal to the County

Ezequiel J Lopez, VP SALES & MARKETING

Authorized Signature of Principal Owner, an officer, or manager responsible for submission of the bid or proposal to the County

April 8 - 04

Date

**CONTRACT FOR
_____ SERVICES**

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT,
CONFIDENTIALITY,
AND COPYRIGHT ASSIGNMENT AGREEMENT**

(any reference to Copyright Assignment would apply to Information Technology Contracts only)

(Note: This certification is to be executed and maintained on file with CONTRACTOR's executed Contract. It shall be made available to COUNTY upon request. Work cannot begin on the Contract until this document has been executed)

CONTRACTOR NAME

Contract No: _____

Employee Name: _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this CONTRACTOR Employee Acknowledgement, Confidentiality and Copyright Assignment Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the CONTRACTOR referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I 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. I understand and agree that I do not have and 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.

CONTRACTOR Name: _____ Contract No. _____

Employee Name: _____

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contact.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I 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. I understand that if I am involved in County work, the County must ensure that I, to, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I 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 or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

CONTRACTOR Name: _____ Contract No. _____

Employee Name: _____

COPYRIGHT ASSIGNMENT AGREEMENT:

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

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

SIGNATURE: _____

DATE: _____

PRINTED NAME: _____

POSITION: _____

CONTRACT FOR _____ SERVICES

**NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,
AND COPYRIGHT ASSIGNMENT AGREEMENT**

*(any reference to Copyright Assignment would apply to Information Technology
Contracts only)*

(Note: This certification is to be executed and maintained on file with CONTRACTOR's
executed Contract. It shall be made available to COUNTY upon request. Work cannot begin on
the Contract until this document has been executed)

CONTRACTOR NAME

Contract No: _____

Non-Employee Name: _____

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 your
signature on this Non-Employee Acknowledgement, Confidentiality and Copyright
Assignment Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the CONTRACTOR referenced above has exclusive control
for purposes of the above-referenced contract. I understand and agree that I must rely
exclusively upon the CONTRACTOR referenced above for payment of salary and any
and all other benefits payable to me or on my behalf by virtue of my performance of
work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any
purpose whatsoever and that I 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. I understand and agree that I do not have and 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.

CONTRACTOR Name: _____ Contract No. _____

Non-Employee Name: _____

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contact.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I 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. I understand that if I am involved in County work, the County must ensure that I, to, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced CONTRACTOR for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced CONTRACTOR and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by the above-referenced CONTRACTOR.

I 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 or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced CONTRACTOR or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

CONTRACTOR Name: _____ Contract No. _____

Non-Employee Name: _____

I agree to report to the above-referenced CONTRACTOR any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced CONTRACTOR upon completion of this contract or termination of my services hereunder, whichever occurs first.

COPYRIGHT ASSIGNMENT AGREEMENT:

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

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

SIGNATURE: _____

DATE: _____

PRINTED NAME: _____

POSITION: _____

AUDITOR-CONTROLLER CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

The following handbook is designed for inclusion in most contracts for services entered into by County departments. The purpose of the handbook is to establish accounting, internal control, financial reporting, and contract administration standards for organizations (contractors) who contract with the County.

The purpose of this Handbook is to establish required accounting, financial reporting, and internal control standards for entities (contractor) which contract with the Los Angeles County.

The accounting, financial reporting and internal control standards described in this Handbook are fundamental. These standards are not intended to be all inclusive or replace acceptable existing procedures or preclude the use of more sophisticated methods. Instead, this Handbook represents the minimum required procedures and controls that must be incorporated into a CONTRACTOR's accounting and financial reporting systems. The internal control standards described are those that apply to organizations with adequate staffing. Organizations with a smaller staff must attempt to comply with the intent of the standards and implement internal control systems appropriate to the size of their staff/organization. The CONTRACTOR's subcontractors must also follow these standards unless otherwise stated in the Agreement.

A. ACCOUNTING AND FINANCIAL REPORTING

1.0 Basis of Accounting

Contractors may elect to use either the cash basis or accrual basis method of accounting for recording financial transactions. Monthly invoices must be prepared on the same basis that is used for recording financial transactions.

1.1 The County recommends the use of the accrual basis for recording financial transactions.

Accrual Basis

Under the accrual basis, revenues are recorded in the accounting period in which they are earned (rather than when cash is received). Expenditures are recorded in the accounting period in which they are incurred (rather than when cash is disbursed).

Accruals

Accruals shall be recorded observing the following:

- ◆ Only accruals where cash will be disbursed within six months of the accrual date should be recorded.
- ◆ Recorded accruals must be reversed in the subsequent accounting period.

1.2 If an agent elects to use the cash basis for recording financial transactions during the year:

- ◆ **Necessary adjustments must be made to record the accruals at the beginning and the end of the contract.**
- ◆ **All computations, supporting records, and explanatory notes used in converting from cash basis to the accrual basis must be retained.**

1.3 Prepaid Expenses

Prepaid expenses (e.g., insurance, service agreements, lease agreements, etc.) should only be expensed during a given Agreement year to the extent goods and services are received during that Agreement year.

2.0 Accounting System

Each agent shall maintain a double entry accounting system (utilizing debits and credits) with a General Journal, a Cash Receipts Journal, a General Ledger, and a Cash Disbursements Journal. The County recommends that a Payroll Register also be maintained. Postings to the General Ledger and Journals should be made on a monthly basis.

2.1 General Journal

A General Journal shall be maintained for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal. Entries in the General Journal must be adequately documented, and entered in chronological order with sufficient explanatory notations.

Example:	DR	CR
Rent Expense	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

2.2 Cash Receipts Journal

A Cash Receipts Journal shall be maintained for recording all cash receipts (e.g., County warrants, contributions, interest income, etc.). The Cash Receipts Journal shall contain (minimum requirements) the following column headings:

- date
- receipt number
- cash debit columns
- income credit columns for the following accounts:
 - County payments (one per funding source)
 - Contributions
 - Other Income (Grants, sales of supplies/services, rental income, miscellaneous revenue, fees, etc.)
- Description (Entries in the description column must specify the source of cash receipts.)

2.3 Cash Disbursements Journal

A Cash Disbursements Journal shall be maintained for recording all cash disbursements (e.g., rent, utilities, maintenance, etc.)

The Cash Disbursements Journal shall contain (minimum requirements) the following column headings:

- date
- check number
- cash (credit) column
- expense account name
- description

Note (1) Separate expense columns are recommended for salary expense and other recurring expense classifications for each program.

Note (2) Entries in the description column must specify the nature of the expense and the corresponding expense classification if not included in the column heading.

Note (3) Checks should not be written to employees (other than payroll, mileage, travel, and petty cash custodian checks.)

A Check Register may be substituted for the Cash Disbursements Journal, but this is not recommended. If used, the Check Register must contain the same expense classifications and description information required when a Cash Disbursements Journal is used.

Disbursements without supporting documentation will be disallowed on audit. Cancelled checks and credit card statements (VISA, AMEX, department store, etc.) will not constitute acceptable support. (See Section A.3.2 and B.2.4) for additional guidance.

2.4 General Ledger

A General Ledger shall be maintained with accounts for all assets, liabilities, fund balances, expenditures, and revenues. Separate accounts must be maintained for each County program's expenses and revenues.

2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- The County recommends that agents use the expense account titles on the monthly invoice submitted to the County.
- If the contractor uses account titles which differ from the account titles on the monthly invoice, each account title must clearly identify the nature of the transaction(s) posted to the account.
- Contractor must consistently post transactions that are of a similar nature to the same account. For example, all expenses for travel shall be posted to the account titled "travel" or "travel expense" and not intermixed with other expense accounts.

2.6 Payroll Register

The County recommends that a Payroll Register be maintained for recording all payroll transactions. The Register should contain the following:

- Name
- Position
- Social Security Number
- Salary (hourly wage)
- Payment Record including:
 - accrual period
 - gross pay
 - itemized payroll deductions
 - net pay amount
 - check number

If a Payroll Register is not used, the information in (2.6) must be recorded in the cash disbursements journal.

CONTRACTOR will ensure compliance with all applicable federal and State requirements for withholding payroll taxes (FIT, FICA, FUTA, SIT, SIU, etc.), reporting, filing (941, DE-7, W-2, W-4 and 1099s), and all applicable tax deposits.

Contractor will ensure compliance with Internal Revenue Service guidelines in properly classifying employees and independent contractors.

2.7 Contractor Invoices

Each agent shall present an invoice to the County each calendar month to report the financial activity of the month. In addition, if advanced funding is involved, an invoice shall be presented at the beginning of the contract period. Invoices shall be prepared in the manner prescribed by the County's contracting department.

3.0 Records

Adequate care shall be exercised to safeguard the accounting records and supporting documentation. Any destruction or theft of the CONTRACTOR's accounting records or supporting documentation shall be immediately reported to the County.

3.1 Retention

All accounting records (e.g., journals, ledgers, etc.), financial records and supporting documentation (e.g., invoices, receipts, checks, etc.) must be retained for a minimum of five years after the termination of the CONTRACTOR's agreement.

3.2 Supporting Documentation

All revenues and expenditures shall be supported by original vouchers, invoices, receipts, or other documentation and shall be maintained in the manner described herein.

Invoices, receipts and canceled checks will be required to support an outlay of funds. Unsupported disbursements will be disallowed on audit. CONTRACTOR will be required to repay COUNTY for all disallowed costs. **Photocopied invoices or receipts, any internally generated documents (i.e., vouchers, request for check forms, requisitions, canceled checks, etc.), and account statements do not constitute supporting documentation for purchases.**

Supporting documentation is required for various types of expenditures as follows:

Payroll – time and attendance records signed by the employee and approved in writing by the supervisor, time distribution records by program accounting for total work time on a daily basis for all employees, records showing actual expenditures for Social Security and unemployment insurance, State and federal quarterly tax returns, federal W-2 forms, and federal W-4 forms.

Consultant Services – contracts, time and attendance records, billing rates, travel vouchers detailing purpose, time and location of travel, purchase orders and invoices for supplies and invoices or other supporting documentation detailing the nature of services provided.

Travel – travel policies of the CONTRACTOR (written); travel expense vouchers showing location, date and time of travel, purpose of trip, and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and mileage. Travel related to conferences should include conference literature detailing purpose of the conference. Reimbursement rates for mileage shall not exceed applicable federal guidelines.

Reimbursement for actual receipts or per diem rates for meal expenses shall not exceed the maximum County's reimbursement rate for employees.

Receipts shall be required for lodging for approved out-of-town travel dates. Maximum reimbursable lodging amount is the maximum County's reimbursement rate for employees for a single occupancy hotel accommodation.

Operating Expenses (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide contracts or lease agreements, if any, and invoices and receipts detailing the cost and items purchased will constitute the primary supporting documentation. For internal control purposes, the CONTRACTOR may maintain vouchers, purchase orders, requisitions, stock received reports, bills of lading, etc.

Outside Meals - receipts and/or invoices for all meals, a record of the nature and purpose of each meal, and identification of the participants.

3.3 Payments to Affiliated Organizations or Persons

CONTRACTOR shall not make payments to affiliated organizations or persons for program expenses (e.g., salaries, services, rent, etc.) that

exceed the lower of actual cost or the reasonable cost for such expenses. A reasonable cost shall be the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Organizations or persons (related parties) related to the CONTRACTOR or its members by blood, marriage, or through legal organization (corporation, partnership, association, etc.) will be considered affiliated for purposes of this Agreement. County shall be solely responsible for the determination of affiliation unless otherwise allowed and approved by the State or federal agencies.

Payments to affiliated organizations or persons will be disallowed on audit to the extent the payments exceed the lower of actual costs or the reasonable costs for such items.

3.4 Filing

All relevant supporting documentation for reported program expenditures and revenues shall be filed in a systematic and consistent manner. It is recommended that supporting documents be filed as follows:

- checks – numerically
- invoices – vendor name and date
- vouchers – numerically
- receipts – chronologically
- timecards – pay period and alphabetically

3.5 Referencing

Accounting transactions posted to the CONTRACTOR's books shall be appropriately cross-referenced to supporting documentation. It is recommended that expenditure transactions on the CONTRACTOR's books be cross-referenced to the supporting documentation as follows:

- □ invoices – vendor name and date
- □ checks – number
- □ vouchers – number
- □ revenue – receipt number

Supporting documentation for non-payroll expenditures (i.e., operating expenditures) should be cross-referenced to the corresponding check issued for payment. If multiple invoices are paid with one check, all related invoices should be bound together and cross-referenced to the check issued for payment.

4.0 Donations and Other Sources of Revenue

Restricted donations and other sources of revenue earmarked specifically for the Contract must be utilized on allowable contract expenditures.

5.0 Audits

The agent will make available for inspection and audit to County representatives, upon request, during working hours, during the duration of the contract and for a period of five years thereafter, all of its books and records relating to the operation by it of each project or business activity which is funded in whole or part with governmental monies, whether or not such monies are received through the County. All such books and records shall be maintained at a location within Los Angeles County.

6.0 Single Audit Requirements

OMB Circular 133, "Audits of State, Local Governments and Non Profit Organizations" requires that certain organizations receiving federal awards, including pass-through awards, have annual audits. Details are contained in the respective Circular.

A copy of any Single Audit reports must be filed with the County within the timeframes prescribed by the applicable Circular.

7.0 Subcontracts

No CONTRACTOR shall subcontract services without the prior written consent of the County.

CONTRACTOR shall provide County with copies of all executed subcontracts and shall be responsible for the performance of their subcontractors.

B. INTERNAL CONTROLS

Internal controls safeguard the CONTRACTOR's assets from misappropriations, misstatements or misuse. Each CONTRACTOR shall prepare necessary written procedures establishing internal controls for its personnel. The CONTRACTOR shall instruct all of its personnel in these procedures and continuously monitor operations to ensure compliance with them.

1.0 Cash Receipts

1.1 Separate Fund or Cost Center

All contract revenues shall be maintained in a bank account. If revenues from other sources are maintained in the same bank account, revenues for each source must be clearly identifiable on the accounting records through the use of cost centers or separate accounts.

1.2 Deposits

All checks shall be restrictively endorsed upon receipt.

Cash received shall be recorded on pre-numbered receipts. Checks shall be recorded on a check remittance log at the time of receipt.

Cash receipts (i.e., cash and checks) totaling \$500 or more shall be deposited within one day of receipt. Collections of less than \$500 may be held and secured and deposited weekly or when the total reaches \$500, whichever occurs first.

Duplicate deposit slips shall be retained and filed chronologically, and shall contain sufficient reference information for comparison to the Cash Receipts Journal (and individual receipts, if applicable).

1.3 Separation of Duties

An employee who does not handle cash shall record all cash receipts.

1.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling, check writing, or bookkeeping functions.

Monthly bank reconciliations should be prepared within 30 days of the bank statement date and reviewed by management for appropriateness and accuracy. The bank reconciliations should be signed by both the preparer and the reviewer. Reconciling items should be resolved timely.

2.0 Disbursements

2.1 General

All disbursements for expenditures, other than petty cash, shall be made by check.

Blank check stock shall be secured and accounted for to preclude unauthorized use.

Checks shall not be payable to "cash" or signed in advance. Checks written to employees for reimbursement of out-of-pocket costs must be supported by receipts and invoices.

A second signature shall be required on all checks, unless otherwise specified in contract.

If the bookkeeper signs checks, a second signature shall be required on the checks, regardless of limits specified in contract.

Voided checks shall be marked void with the signature block cut out. The voided checks must be filed with the cancelled checks.

Unclaimed or undelivered checks shall be cancelled periodically.

All supporting documentation shall be referenced to check numbers and marked "paid" or otherwise canceled to prevent reuse or duplicate payments.

Disbursements without adequate supporting documentation will be disallowed on audit.

2.2 Approvals and Separation of Duties

Employees responsible for approving cash disbursements and/or signing of checks shall examine all supporting documentation at the time the checks are approved and signed.

All disbursements, excluding petty cash purchases, shall be approved by persons independent of check preparation and bookkeeping activities.

2.3 Petty Cash

A petty cash fund up to \$500 may be maintained for payment of small incidental expenses incurred by the CONTRACTOR (e.g., postage due, small purchases of office supply items, etc.). The CONTRACTOR must obtain written approval from the County to establish a petty cash fund greater than \$500.

Petty cash disbursements must be supported by invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. In the event that outside (external) supporting documentation is not obtainable for minor disbursements (under \$10), such as parking meters, etc., then

documentation shall be considered as proper supporting documentation on a basis of reasonableness. Petty cash disbursements should not be used as a substitute for normal purchasing and disbursement practices i.e., payment by check).

The petty cash fund shall be maintained on an imprest basis. A check should be drawn to set up the fund and to make periodic reimbursements. Receipts, vouchers, etc., supporting each fund replenishment must be bound together, filed chronologically and cross referenced to the reimbursement check.

2.4 Credit Cards

The use of credit cards, both CONTRACTOR issued credit cards and an employee's personal credit cards used on behalf of the CONTRACTOR, should be limited to purchases where normal purchasing and disbursement practices are not suitable.

Credit cards issued in the CONTRACTOR's name must be adequately protected and usage monitored to ensure that only authorized and necessary items are purchased.

Credit card purchases should be pre-approved by CONTRACTOR management to ensure that they are reasonable and necessary.

All credit card disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. Credit card statements are not sufficient support for credit card purchases

3.0 Timekeeping

3.1 Timecards

Timecards or time reports must be prepared for each pay period. Timecards or time reports must indicate total hours worked each day by program and total hours charged to each of the CONTRACTOR's programs. Time estimates do not qualify as support for payroll expenditures and will be disallowed on audit.

All timecards and time reports must be signed in ink by the employee and the employee's supervisor to certify the accuracy of the reported time.

3.2 Personnel and Payroll Records

Adequate security must be maintained over personnel and payroll records with access restricted to authorized individuals.

Personnel and payroll records should include (but not be limited to) the following:

- Employee's authorized salary rate
- Employee information sheet
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., notarized copy or original diploma, license, etc.)
- Performance evaluations
- Criminal record clearance
- Citizenship status
- Benefit balances (e.g., sick time, vacation, etc.)

Benefit Balances

Employee benefit balances (e.g., sick time, vacation, personal time, etc.) should be maintained on at least a monthly basis. Benefit balances should be increased when benefit hours are earned and decreased as hours are used.

Limitations on Positions and Salaries

The CONTRACTOR shall pay no salaries higher than those authorized in the contract, or the attachments thereto, except as proscribed by State or federal law.

If an employee serves in the same or dual capacities under more than one Agreement or program, the employee may not charge more than 100% of their time to the contracts or programs taken as a whole.

Salaried employees who work less than 40 hours per week shall be paid a salary that corresponds with the employee's work schedule.

The salary expense of salaried employees working on more than one Agreement or program shall be allocated to each program based on the ratio of the number of hours worked on each program during the pay period to the total number hours worked during the pay period.

The CONTRACTOR will make no retroactive salary adjustment for any employee without written approval from the County.

Separation of Duties

Payroll checks should be distributed by persons not involved in timekeeping, preparing of payroll, or reconciling bank accounts.

All employee hires and terminations, or pay rate changes, shall be approved by authorized persons independent of payroll functions.

All employee hires and terminations, or pay rate changes shall be approved in writing by authorized persons independent of payroll functions.

4.0 Fixed Assets

A fixed asset is defined as an article of nonexpendable tangible personal property having a useful life of more than two years. The County recommends all fixed assets with an acquisition cost of \$1,000^{*1} or more per unit be capitalized.

Acquisition cost means the net invoice unit price of an item, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it was acquired.

4.1 Acquisition

Fixed asset purchases shall be approved by the Agency's Board of Directors or their authorized representative.

4.2 Identification and Inventory

All fixed assets purchased with Contract funds are to be used solely for the benefit of the Contract and should be appropriately tagged.

Each CONTRACTOR shall maintain a current listing of fixed assets, including the item description, serial number, date of purchase, acquisition cost and sources of funding.

An inventory of all fixed assets should be conducted at least once each year to ensure that all fixed assets are accounted for and maintained in proper working order.

4.3 Security

Physical security should be adequately maintained over fixed assets to prevent misuse and theft of County property.

4.4 Property Management

¹ The fixed asset amount has been increased to \$5,000 since this handbook was published in July 2000.

The CONTRACTOR shall assume responsibility and accountability for the maintenance of all non-expandable property purchased, leased, or rented with Contract funds.

The CONTRACTOR shall report promptly, in writing, to the County all cases of theft, loss, damage, or destruction of fixed assets. The report shall contain at a minimum, item identification, recorded value, facts relating to loss, and a copy of the law enforcement report.

CONTRACTOR shall dispose of or return to the County all fixed assets, in accordance with their Contract.

- 5.0 Bonding** – All officers, employees, and agents who handle cash or have access to the agent's funds shall be bonded.

C. COST PRINCIPLES

1.0 Policy

It is the intent of the COUNTY to provide funds for the purpose of CONTRACTOR providing services required by the Agreement. CONTRACTOR shall use these funds on actual expenses in an economical and efficient manner and ensure they are reasonable, proper and necessary costs of providing services and are allowable in accordance with the applicable OMB Circular.

1.1. Limitations on Expenditures of Program Funds

CONTRACTOR shall comply with the Agreement and the applicable OMB Circular. The Circular defines direct and indirect costs, discusses allowable cost allocation procedures and the development of Indirect Cost Rates, and specifically addresses the allowability of a variety of different costs.

If a CONTRACTOR is unsure of the allowability of any particular type of cost or individual cost, the CONTRACTOR should request advance written approval from the County prior to incurring the cost.

1.2 Expenses Incurred Outside the Agreement Period

Expenses charged against program funds may not be incurred prior to the effective date of the Agreement or subsequent to the Agreement termination date.

1.3 Budget Limitation

Expenses may not exceed the maximum limits shown on the contract budget.

1.4 Unspent Funds

The County will determine the disposition of unspent program funds upon termination of the contract.

1.5 Necessary, Proper and Reasonable

Only those expenditures that are necessary, proper and reasonable to carry out the purposes and activities of the Program are allowable.

2.0 Allocation of Cost Pools

For CONTRACTORs that provide services in addition to the services required under contract, the CONTRACTOR shall allocate expenditures that benefit programs or funding sources on an equitable basis.

In accordance with the applicable OMB Circular, agencies shall define their allocable costs as either direct or indirect costs (as defined below) and allocate each cost using the basis most appropriate and feasible.

The CONTRACTOR shall maintain documentation related to the allocation of expenses (e.g., timecards, time summaries, square footage measurements, number of employees, etc.).

Under no circumstances shall allocated costs be charged to an extent greater than 100% of actual costs or the same cost be charged both directly and indirectly.

2.1 Direct Costs

Direct costs are those costs that can be identified specifically with a particular final cost objective (i.e., a particular program, service, or other direct activity of an organization). Examples of direct costs include salaries and benefits of employees working on the program, supplies and other items purchased specifically for the program, costs related to space used by employees working on the program, etc.

For all employees, other than general and administrative, the hours spent on each program (activity) should be recorded on employees' timecards and the payroll expense should be treated as direct charges and distributed on the basis of recorded hours spent on each program.

Joint costs (i.e., costs that benefit more than one program or activity) which can be distributed in reasonable proportion to the benefits received may also be direct costs.

Examples of bases for allocating joint costs as direct costs:

- Number of direct hours spent on each program
- Number of employees in each program
- Square footage occupied by each program
- Other equitable methods of allocation

2.2 Indirect Costs

Indirect costs are those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. Examples of indirect costs include salaries, employee benefits, supplies, and other costs related to general administration of the organization, depreciation and use allowances, and the salaries and expenses of executive officers, personnel administration, and accounting.

Examples of bases for allocating indirect costs:

- Total direct salaries and wages
- Total direct costs (excluding capital expenditures and other distorting items such as subcontractor payments)

2.3 Acceptable Indirect Cost Allocation Methods

OMB Circulars describe the following allowable methods for allocating indirect costs:

- Simplified allocation method
- Direct allocation method
- Multiple allocation base method
- Negotiated indirect cost rate

Simplified Allocation Method

This method can be used when an organization's major functions benefit from its indirect costs to approximately the same degree. Using this method, all allocable costs are considered indirect costs and an indirect cost rate is determined by dividing total allowable indirect costs by an equitable distribution base.

Example

Agency-wide indirect costs	\$250,000
Less: Capital expenditures	<u>10,000</u>

Allocable indirect costs	240,000
Total agency-wide indirect salaries	\$1,000,000
Indirect cost rate (\$240,000/\$1,000,000)	24%
Program direct salaries	\$100,000
Program indirect costs (24% x \$100,000)	<u>\$24,000</u>

Direct Allocation Method

This method can also be used when an organization's major functions benefit from its indirect costs to approximately the same degree. Using this method, all costs except general administration and general expenses are treated as direct costs. Joint costs for depreciation, rental, facilities maintenance, telephone, and other similar expenses are prorated individually to each direct activity on a basis appropriate for that type of cost.

The remaining costs, which consist exclusively of general administration and general expenses are then allocated using the simplified allocation method previously discussed.

Multiple Base Allocation Method

This method can be used when an organization's major functions benefit from its indirect costs in varying degrees. Using this method, indirect costs are grouped to permit allocation of each grouping on the basis of the benefits provided to the major functions. Each grouping is then allocated individually using the basis most appropriate for the grouping being allocated.

2.4 Cost Allocation Plan

If the CONTRACTOR has a negotiated indirect cost rate approved by a federal agency, it shall submit a copy of the approval letter when requested by COUNTY.

If the CONTRACTOR does not have a negotiated indirect cost rate, CONTRACTOR shall submit an annual Agency-wide Cost Allocation Plan when requested by County. The Cost Allocation Plan shall be prepared in accordance with COUNTY instructions and the applicable OMB Circular and include the following information:

1. CONTRACTOR general accounting policies:
 - Basis of accounting (cash or accrual)
 - Fiscal year

- Method for allocating indirect costs (simplified, direct, multiple, negotiated rate)
 - indirect cost rate allocation base
2. Identify the CONTRACTOR's direct and indirect costs (by category) and describe the cost allocation methodology for each category.
 3. Signature of CONTRACTOR management certifying the accuracy of the plan.

Negotiated Indirect Cost Rates

Agencies have the option of negotiating an indirect cost rate or rates for use on all their federal programs. The CONTRACTOR must submit a cost allocation plan to the federal agency providing the most funds to the organization. The approved indirect cost rate is then applied to the total approved direct cost base.

If CONTRACTOR has a federally approved indirect cost rate, CONTRACTOR shall submit a copy of the approval letter to COUNTY upon request.

D. UNALLOWABLE COSTS

OMB Circulars address the allowability of a variety of different costs. For all costs, there are certain restrictions and limitations; however, the following costs are not allowable under any circumstances:

- Bad debts
- Contingency provisions
- Contributions and donations
- Fines and penalties
- Fundraising activities
- Interest expense (unless expressly allowed by Federal guidelines)
- Losses on other awards

E. OVERPAYMENTS

If upon audit, or at any time during the Agreement year, it is determined that invoices submitted to the COUNTY and used as a basis for payments to the CONTRACTOR were inaccurate, COUNTY shall determine the total overpayment and require the CONTRACTOR to repay COUNTY. The COUNTY may withhold payments from CONTRACTOR's future payments for any amounts not returned to the COUNTY or credited to the Contract unless otherwise prohibited by State or federal regulations.

F. MISCELLANEOUS REQUIREMENTS

1.0 Insurance

CONTRACTOR is responsible for securing and maintaining insurance coverage as required by the Agreement. CONTRACTOR must notify COUNTY when insurance is revoked, reduced to a level or coverage less than required, or otherwise made ineffective.

Insurance shall include an endorsement naming the COUNTY as an additional insured.

2.0 Activity

No funds, materials, property, or services contributed to the COUNTY or the CONTRACTOR under this Agreement shall be used in the performance of any political activity, the election of any candidate, or the defeat of any candidate for public office.

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 District Attorney concerning its employees and business licensees. It further requires that bidders or proposers for County contracts submit certifications of Program compliance to the soliciting County department along with their bids or 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 DISTRICT ATTORNEY AT THE ADDRESS OR FAX NUMBER SHOWN BELOW. SOLE PRACTITIONER MEMBERS OF AN ASSOCIATION MUST COMPLETE AND SUBMIT INDIVIDUAL FORMS.

I, (print name) Yossi Harel hereby submit this certification to the (County department) Children & Family Services, pursuant to the provisions of County Code Section. 2.200.060 and hereby certify that (contractor or association name as shown in proposal),

GRM Information Management Services, an independently owned or franchiser-owned business (circle one), located at (contractor, or, if an association, associated member address)

4901 Zambrano Street, Com merce CA 90040

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 District Attorney Bureau of Family Support Operations;
- 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 6 day of January 2009
at: Com merce, CA 90040 (City /State) 323-726-5222 (Telephone No.)
by: Yossi Harel VP - GM
(Signature of a Principal Owner, an officer, or manager responsible for submission of the bid or proposal to the County)

Copy to: District Attorney Bureau of Family Support Operations
Special Projects
P.O. Box 911009
Los Angeles, CA 90091-1099
FAX: (323) 869-0634

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

Department of the Treasury
Internal Revenue Service
Notice 1015

(Rev. October 2000)

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 2000 investment income (such as interest and dividends) is over \$2,400.

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 2000 are less than \$31,152 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, 2001.

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 2000 instructions for Forms 1040, 1040A, and 1040EZ, and **Pub. 596**, Earned Income Credit, explain who can claim the EIC. Generally, any employee who meets the following requirements may be able to claim the EIC for 2000.

Note: An employee **cannot** claim the EIC if he or she files Form 2555 or Form 2555-EZ (relating to foreign earned income). Also, an employee who is a nonresident alien for any part of 2000 cannot claim the EIC unless he or she is married to a U.S. citizen or resident and elects to be taxed as a resident alien for all of 2000.

The employee's 2000 earned income and modified adjusted gross income are both under \$27,413 (under \$31,152 if the employee has more than one qualifying child; under \$10,380 if the employee does not have a qualifying child). **Earned income** for this purpose does not include amounts paid to inmates in penal institutions for their work.

* The employee's filing status is any status **except** married filing a separate return.

* The employee (and the employee's spouse if filing a joint return) is not a qualifying child of another person.

* For an employee without a qualifying child, the employee is at least age 25 but under 65 at the end of 2000. Also, no one may be entitled to claim the employee as a dependent and the employee's home must be in the United States for over half of 2000. If the employee is married filing a joint return, other rules apply.

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2000 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 2000 and owes no tax but is eligible for a credit of \$797, he or she must file a 2000 tax return to get the \$797 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.

Notice 1015
(Rev. 10-2000)

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

“Contractor Employee Jury Service”

Los Angeles County Code Sections 2.203.010 through 2.203.090

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.
- 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.
- E. “County” means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0015 § 1 (part), 2002).

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence two or more months after the effective date of this chapter. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence two or more months after the effective date of this chapter. (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,
 - 1.12. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

- 2.1A. 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.

3.1B. 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).

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

The County's solicitation for this contract/purchase order (Request for Proposal or 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 or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exception from the Program requirements or 2) certify compliance. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the bidder or proposer is excepted from the Program.

Company Name: GRM Information Mgmt Services of California LLC	
Company Address: 4901 Zambrano Road	
City: Commerce	State: CA Zip Code: 90040
Telephone Number: 323-726-5222	
Solicitation For (Type of Goods or Services): Services	

Complete Part I or Part II below, as appropriate.

Part I - Application for Exception From the Program

I request an exception from the Program for the following reason(s) (check the appropriate box(es) and attach documentation that supports your claim):

- My business does not meet the definition of "contractor," as defined in the Program, because my business 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/purchase order itself will exceed \$50,000 in any 12 month period). 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 10 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 exemption 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 10 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.

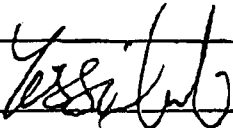
- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

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.

Print Name: Yossi Harel	Title: Vice President/General Mgr
Signature: 	Date: 4-7-04

No shame
No blame
No names

**Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.**

**In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org**

<p>State of California Gray Davis, Governor Health and Human Services Agency Grantland Johnson, Secretary Department of Social Services Rita Saenz, Director</p>	<p>Los Angeles County Board of Supervisors Gloria Molina, Supervisor, First District Yvonne Brathwaite Burke, Supervisor, Second District Zev Yaroslavsky, Supervisor, Third District Don Knabe, Supervisor, Fourth District Michael D. Antonovich, Supervisor, Fifth District</p>
---	---

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn 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 give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs 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, workers 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.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns 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?

In most cases, a parent will bring in the baby. The law allows other people 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 so long as the parent gives the baby to someone who works at the hospital or fire station.

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

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

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

What happens to the parent?

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

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents 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.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardino Medical Center in San Bernardino under the provisions of the California 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 with a loving family while the adoption process was started.

**Every baby deserves a chance for a healthy life.
If someone you know is considering abandoning a newborn, let her know there are other options.**

It is best that women seek help to receive proper medical care and counseling while they are pregnant. 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 any Los Angeles County Hospital ER or fire station.



COUNTY OF LOS ANGELES

LIVING WAGE PROGRAM
AND CONTRACTOR NON-RESPONSIBILITY DEBARMENT

ACKNOWLEDGEMENT AND STATEMENT OF COMPLIANCE

The undersigned individual is the owner or authorized agent (Agent) of the business entity or organization ("Firm") identified below and makes the following statements on behalf of his or her Firm. **The Agent is required to check each of the applicable boxes below.**

LIVING WAGE ORDINANCE:

- The Agent has read the County's Living Wage Ordinance (Los Angeles County Code Section 2.201.010 through 2.201.100), and understands that the Firm is subject to its terms.

CONTRACTOR NON-RESPONSIBILITY AND CONTRACTOR DEBARMENT ORDINANCE:

- The Agent has read the County's Determinations of Contractor Non-Responsibility and Contractor Debarment Ordinance (Los Angeles County Code Section 2.202.010 through 2.202.060), and understands that the Firm is subject to its terms.

LABOR LAW/PAYROLL VIOLATIONS:

A "Labor Law/Payroll Violation" includes violations of any federal, state or local statute, regulation, or ordinance pertaining to wages, hours or working conditions such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination.

History of Alleged Labor Law/Payroll Violations (Check One):

- The Firm **HAS NOT** been named in a complaint, claim, investigation or proceeding relating to an alleged Labor Law/Payroll Violation which involves an incident occurring within three (3) years of the date of the proposal; **OR**
- The Firm **HAS** been named in a complaint, claim, investigation or proceeding relating to an alleged Labor Law/Payroll Violation which involves an incident occurring within three (3) years of the date of this proposal. (I have attached to this form the required Labor/Payroll/Debarment History form with the pertinent information for each allegation.)

History of Determinations of Labor Law /Payroll Violations (Check One):

- There **HAS BEEN NO** determination by a public entity within three (3) years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation; **OR**
- There **HAS BEEN** a determination by a public entity within three (3) years of the date of the proposal that the Firm committed a Labor Law/Payroll Violation. I have attached to this form the required Labor/Payroll/Debarment History form with the pertinent information for each violation (including each reporting entity name, case number, name and address of claimant, date of incident, date claim opened, and nature and disposition of each violation or finding.) (The County may deduct points from the proposer's final evaluation score ranging from 1% to 20% of the total evaluation points available with the largest deductions occurring for undisclosed violations.)

HISTORY OF DEBARMENT (Check one):

- The Firm **HAS NOT** been debarred by any public entity during the past ten (10) years; **OR**
- The Firm **HAS** been debarred by a public entity within the past ten (10) years. Provide the pertinent information (including each reporting entity name, case number, name and address of claimant, date of incident, date claim opened, and nature and disposition of each violation or finding) on the attached Labor/Payroll/Debarment History form.

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

Owner's/Agent's Authorized Signature <i>[Signature]</i>	Print Name and Title Yossi Harel - VP- GM
Print Name of Firm GRM Information Management Services	Date January 6, 2004



COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM

ACKNOWLEDGEMENT AND STATEMENT OF COMPLIANCE
LABOR/PAYROLL/DEBARMENT HISTORY

Firm must complete and submit a separate form (make photocopies of form) for each instance of (check the applicable box below):

- An alleged claim, investigation or proceeding relating to an alleged Labor Law/Payroll Violation for an incident occurring within the past three (3) years of the date of the proposal.
- A determination by a public entity within three (3) years of the date of the proposal that the Firm committed a Labor Labor/Payroll Violation.
- A debarment by a public entity listed below within the past ten (10) years.

Print Name of Firm: <i>GRM Information Mgmt. Services</i>	Print Name of Owner: <i>MOISHE HAZEL AGENT: Yossi HAZEL</i>
Print Address of Firm: <i>4901 ZAMBRANO ROAD</i>	Owner's/Agent's Authorized Signature: <i>x [Signature]</i>
City, State, Zip Code: <i>COMMERCE, CA 90040</i>	Print Name and Title: <i>Yossi HAZEL, Vice President of GRM</i>

Public Entity Name:	<i>GRM Information Mgmt Services</i>	Date of Incident:	<i>2002</i>
Case Number/Date Claim Opened:	Case Number:	Date Claim Opened:	
Name and Address of Claimant:	Name:		
	Street Address:		
	City, State, Zip:		
Description of Work: (e.g., janitor)	<i>OFFICE WORKER</i>		
Description of Allegation and/or Violation:	<i>FAILURE to pay overtime to non-exempt worker.</i>		
Disposition of Finding (attach disposition letter): (e.g., Liquidated Damages, Penalties, Debarment, etc.)	<i>Payed \$1,700 in overtime.</i>		

Additional Pages are attached for a total of 1 pages.



Contractor Living Wage Declaration
For Contract Extension, Amendment or Renewal

This contract is subject to the County of Los Angeles Living Wage Ordinance (Program). You must declare your intent to comply with the Program.

If you believe that you are exempt from the Program, please complete the Application for Exemption form and immediately submit it to the County awarding department.

Please check the option that best describes your intention to comply with the Program.

- I **do not** have a bona fide health care benefit plan for those employees who will be providing services to the County under the contract. I will pay an hourly wage rate of not less than **\$9.46 per hour** per employee.
- I **do have** a bona fide health care benefit plan for those employees who will be providing services to the County under the contract but will pay into the plan **less than \$1.14 per hour** per employee. I will pay an hourly wage of not less than **\$9.46 per hour** per employee.
- I **do have** a bona fide health care benefit plan for those employees who will be providing services to the County under the contract and will pay into the plan **at least \$1.14 per hour** per employee. I will pay an hourly wage of not less than **\$8.32 per hour** per employee.

Health Plan(s): ONE HEALTH PLAN www.onchealthplan.com

Company Insurance Group Number: N710 - 00YM

Health Benefit(s) Payment Schedule:

- Monthly
- Quarterly
- Bi-Annual
- Annually
- Other: _____ (Specify)

PLEASE PRINT COMPANY NAME:	
GRM Information Management Services	
I declare under penalty of perjury under the laws of the State of California that the above is true and correct:	
SIGNATURE:	DATE:
	January 6, 2004
PLEASE PRINT NAME:	TITLE OR POSITION:
Yossi Harel	VP GM

**COUNTY OF LOS ANGELES
 LIVING WAGE PROGRAM**

APPLICATION FOR EXEMPTION

The contract to be awarded pursuant to the County’s solicitation (RFP or IFB) is subject to the County of Los Angeles Living Wage Program (Program) (Los Angeles County Code, Chapter 2.201). Contractors and subcontractors may apply individually for consideration for an exemption from the Program. To apply, Contractors must complete and submit this form to the County by the date identified in the solicitation (RFP or IFB) document. Upon review of the submitted Application for Exemption, the County department will determine, in its sole discretion, whether the contractor and/or subcontractor is/are exempt from the Program.

Company Name: NOT APPLICABLE			
Company Address:			
City:	State:	Zip Code:	
Telephone Number:	Facsimile Number:	Email Address:	
Awarding Department:			Contract Term:
Type of Service:			

I am requesting an exemption from the Program for the following reason(s) (attach to this form all documentation that supports your claim):

- My business is a non-profit corporation qualified under Internal Revenue Code Section 501(c)(3) (attach IRS Determination Letter).
- My business is a Small Business (as defined in the Living Wage Ordinance) which is not an affiliate or subsidiary of a business dominant in its field of operation **AND** during the contract period will have 20 or fewer full- and part-time employees; **AND**
 - Has less than \$1 million in annual gross revenues in the preceding fiscal year including the proposed contract amount; **OR**
 - Is a technical or professional service that has less than \$2.5 million in annual gross revenues in the preceding fiscal year including the proposed contract amount.
- My business has received an aggregate sum of less than \$25,000 during the preceding 12 months under one or more Proposition A contracts and/or cafeteria services contracts, including the proposed contract amount.



**COUNTY OF LOS ANGELES
LIVING WAGE PROGRAM**

APPLICATION FOR EXEMPTION

Continued from previous page

- My business is subject to a bona fide Collective Bargaining Agreement (*attach agreement*); **AND**
- the Collective Bargaining Agreement expressly provides that it supersedes all of the provisions of the Living Wage Program; **OR**
 - the Collective Bargaining Agreement expressly provides that it supersedes the following specific provisions of the Living Wage Program (I will comply with all provisions of the Living Wage Program not expressly superseded by my business' Collective Bargaining Agreement):

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

PRINT NAME:	TITLE:
SIGNATURE:	DATE:

MODEL CONTRACTOR STAFFING PLAN

COMPANY NAME GRM Information Mgmt Service
COMPANY ADDRESS 4901 Zambrano, Commerce, CA 90040
PROJECT Case Storage and Retrieval Services
DEPARTMENT NAME Department of Children and Family Services

FACILITY OR LOCATION	EMPLOYEE NAME	POSITION TITLE	ROVER(S)	WORK SCHEDULE	HOURS WORKED PER DAY	FULL TIME/PART TIME	HOURLY RATE	HEALTH INS. YES/NO	MON. HRS	TUES HRS	WEDS HRS	THURS HRS	FRI HRS	SAT HRS	SUN HRS	COUNTY TOTAL HRS	NON-CNTY TOTAL HRS	HIRE DATE	TERM DATE
8500 Mercury Lane Pico Rivera 90660	Scott Starkey	Project Mgr		8:00-5:00	8	Full	3,674	Yes	8	8	8	8	8	0	0	8	32	11/08/02	
8500 Mercury Lane Pico Rivera 90660	Lev Spivak	Operation Mgr		8:00-5:00	8	Full	4,582	No	8	8	8	8	8	0	0	8	32	08/16/2000	
8500 Mercury Lane Pico Rivera 90660	Eric Seaberg	Records Center Mgr		8:00-5:00	8	Full	3,499	Yes	8	8	8	8	8	0	0	8	32	04/28/2003	
8500 Mercury Lane Pico Rivera 90660	Claudia Veloz	Customer Service		8:00-5:00	8	Full	14.63	Yes	8	8	8	8	8	0	0	10	30	05/28/2002	
8500 Mercury Lane Pico Rivera 90660	Evelyn Hernandez	Customer Service		8:00-5:00	8	Full	11.25	Yes	8	8	8	8	8	0	0	5	25	07/22/2002	
8500 Mercury Lane Pico Rivera 90660	Lei Sala	Customer Service		8:00-5:00	8	Full	3,237	Yes	8	8	8	8	8	0	0	10	30	05/05/2000	
8500 Mercury Lane Pico Rivera 90660	Diane Herrera	Data Entry		8:00-5:00	8	Full	11.55	Yes	8	8	8	8	8	0	0	5	35	11/15/2002	
8500 Mercury Lane Pico Rivera 90660	Alexis Armijo	Data Entry		8:00-5:00	8	Full	10.00	No	8	8	8	8	8	0	0	20	20	07/28/2003	
8500 Mercury Lane Pico Rivera 90660	Maria Basulto	Data Entry		8:00-5:00	8	Full	10.00	No	8	8	8	8	8	0	0	20	20	06/03/2003	
8500 Mercury Lane Pico Rivera 90660	Lauren Campbell	Acct Admin		8:00-5:00	8	Full	12.00	Yes	8	8	8	8	8	0	0	2	36	02/13/2004	
8500 Mercury Lane Pico Rivera 90660	Evelyn Barrios	Rover		8:00-5:00	8	Full	9.00	No	8	8	8	8	8	0	0	20	20	02/17/2004	
8500 Mercury Lane Pico Rivera 90660	Rodney Porche	Rover		8:00-5:00	8	Full	1,200	Yes	8	8	8	8	8	0	0	20	20	08/18/2003	
8500 Mercury Lane Pico Rivera 90660	Louis Lewis	Rover		8:00-5:00	8	Full	9.50	No	8	8	8	8	8	0	0	20	20	05/15/2004	
8500 Mercury Lane Pico Rivera 90660	Rick Hunstman	Rover		8:00-5:00	8	Full	11.00	No	8	8	8	8	8	0	0	20	20	08/25/2003	

CONTRACTOR'S EMPLOYEE HEALTH CARE PLAN
(On File)

**GUIDELINES FOR ASSESSMENT OF PROPOSER
LABOR LAW/PAYROLL VIOLATIONS**

COUNTY DETERMINATION Proposer Name: Contracting Department: Department Contact Person/Phone:	RANGE OF DEDUCTION (Deduction is taken from the maximum evaluation points available)	
	Proposer Fully Disclosed	Proposer <i>Did Not</i> Fully Disclose
MAJOR County determination, based on the Evaluation Criteria, that proposer has a record of very serious violations.*	8 - 10% Consider investigating a finding of proposer non-responsibility**	16 - 20% Consider investigating a finding of proposer non-responsibility**
SIGNIFICANT County determination, based on the Evaluation Criteria, that proposer has a record of significant violations.*	4 - 7%	8 - 14% Consider investigating a finding of proposer non-responsibility**
MINOR County determination, based on the Evaluation Criteria, that proposer has a record of relatively minor violations.*	2 - 3%	4 - 6%
INSIGNIFICANT County determination, based on the Evaluation Criteria, that proposer has a record of very minimal violations.*	0 - 1%	1 - 2%
NONE County determination, based on the Evaluation Criteria, that proposer does not have a record of violations.*	0	N/A

Assessment Criteria

* A "Labor Law/Payroll Violation" includes violations of any Federal, State or local statute, regulation or ordinance pertaining to wages, hours, working conditions such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination. The County may deduct points from a proposer's final evaluation score only for Labor Law/Payroll Violations with disposition by a public entity within the past three years of the date of the proposal.

The assessment and determination of whether a violation is major, significant, minor, or insignificant and the assignment of a percentage deduction shall include, but not be limited to, consideration of the following criteria and variables:

- § **Accuracy in self-reporting by proposer**
- § **Health and/or safety impact**
- § **Number of occurrences**
- § **Identified patterns in occurrences**
- § **Dollar amount of lost/delayed wages**
- § **Assessment of any fines and/or penalties by public entities**
- § **Proportion to the volume and extent of services provided, e.g., number of contracts, number of employees, number of locations, etc.**

** County Code Title 2, Chapter 2.202.030 sets forth criteria for making a finding of contractor non-responsibility which are not limited to the above situations.



COUNTY OF LOS ANGELES

NOTICE TO EMPLOYEES COUNTY OF LOS ANGELES LIVING WAGE ORDINANCE

This employer is a contractor with the County of Los Angeles. This contract is subject to the Living Wage Ordinance (LWO) established by the Board of Supervisors (Los Angeles County Code Chapter 2.201). If you are a full-time employee and perform any service to the County under this contract, you must be paid a “living wage” for the hours you work on the County contract.

THESE ARE YOUR RIGHTS...

Living Wage

If you are a full-time employee, you must be paid no less than either of the two Living Wage rates identified below as Option 1 or Option 2:

Option 1: You must be paid not less than the living wage rate of \$8.32 per hour and your employer must pay at least \$1.14 per hour towards health benefits, OR

Option 2: You must be paid not less than the living wage rate of \$9.46 per hour:

- The \$9.46 per hour rate must be paid to you if your employer does not provide you with health benefits, or if your employer pays less than \$1.14 per hour towards your health benefits for you.
- The \$9.46 per hour rate includes \$1.14 per hour to enable you to purchase health benefits on your own, if you so chose. If you need help finding a health plan, your employer may be able to assist you.

Retaliation

You cannot be transferred, demoted or terminated because you reported violations of the Living Wage Program. All acts of retaliation can be reported to the Office of Affirmative Action Compliance by calling the Living Wage Hotline.

Worker Retention

If the County of Los Angeles terminates its contract with your current employer before the contract's expiration date and enters into a new contract with another contractor for the same service, you may be eligible to continue working as an employee of the new contractor for a period not less than 90 days following the start of the new contract.

Federal Earned Income Tax Credit

You may be eligible to apply for the Federal Earned Income Tax Credit and receive up to \$3,756 a year if you qualify. Application forms are available from your employer or by contacting the Internal Revenue Service at (800) 829-3676.

You May Report Living Wage Violations to:

**Department of Children and Family Services
Contracts Administration**

County Department Administering this Contract

(213) 351-5556

County Department Phone Number