County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

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

DAVID SANDERS, PH.D.
Director

Board of Supervisors
GLORIA MOLINA
First District
YVONNE B. BURKE
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

June 27, 2006

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 TWO COMMUNITY TREATMENT FACILITY (CTF) SERVICES AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

JOINT RECOMMENDATION WITH THE CHIEF PROBATION OFFICER AND THE DIRECTOR OF THE DEPARTMENT OF MENTAL HEALTH THAT YOUR BOARD:

1. Approve and delegate authority to the Director of the Department of Children and Family Services (DCFS), and the Director of the Department of Mental Health (DMH) to execute an agreement, similar in form to the attached Community Treatment Facility (CTF) Agreement with Star View Children and Family Services, Inc. (Star View), a non-profit division under the Stars Behavioral Health Group [Attachment A] for the provision of CTF services, including but not limited to mental health treatment services administered by licensed mental health professionals, the availability of a registered nurse on a twenty-four (24) hour basis, development of needs and services plans for each child, etc., for the period of July 1, 2006 through June 30, 2007 with an estimated cost of $1,082,688. The cost is financed using approximately $300,987 (27.8%) State, and $781,701 (72.2%) net County cost (NCC). Placement costs associated with this Agreement are paid separately through Aid to Families for Dependent Children – Foster Care (AFDC-FC) funds. Sufficient funding is included for the supplemental payments in the DCFS FY 2006-07 Proposed Budget.

2. Approve and delegate authority to the Director of the Department of Children and Family Services (DCFS), the Director of the Department of Mental Health (DMH), and the Chief Probation Officer (Probation) to execute an Agreement, similar in form to the attached Community Treatment Facility (CTF) Agreement with Vista Del Mar

Child and Family Services (Vista Del Mar) [Attachment B] for the provision of CTF services, including but not limited to mental health treatment services administered by licensed mental health professionals, the availability of a registered nurse on a twenty-four (24) hour basis, development of needs and services plans for each child, etc., for the period of July 1, 2006 through June 30, 2007 with an estimated cost of $974,592 financed using approximately $270,937 (27.8%) State, and $703,655 (72.2%) net County cost (NCC). Placement costs associated with this Agreement are paid separately through Aid to Families for Dependent Children – Foster Care (AFDC-FC) funds. Sufficient funding is included for the supplemental payments in the DCFS FY 2006-07 Proposed Budget.

3. Instruct the Director of DCFS to notify your Board and the Chief Administrative Office (CAO) in writing within ten (10) working days of executing the CTF Agreements.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Star View and Vista Del Mar are the only facilities licensed by the California Department of Social Services (CDSS) to provide CTF services in Los Angeles County. These CTF Services are needed for the placement of children who require more intense services than from services provided by a group home of a Rate Classification level (RCL) 14 but in a less restrictive and more community-based facility than a state or acute institution.

DCFS in conjunction with the DMH and Probation agree that entering in to a new twelve-month Agreement is more appropriate than the initial intent of requesting a three month contract extension of the current contract. However, Probation will enter into a twelve-month Agreement with only Vista Del Mar.

The new twelve-month Agreement will provide an opportunity to research and study some new issues not included in the current Agreements but deemed important in the provision of CTF services, and those issues in the current Agreements that need to be revised and updated based on the current need/situation of the target population. These issues among others are as follows:

- Profile of CTF residents
- Treatment and length of stay
- Intake and screening process
- Care and supervision staffing
- No eject/reject policy

The new Agreement for each provider is based on their current CTF Agreement and has been updated to include all the required Board provisions, and the major Fiscal provisions from the latest approved Master Agreements for Group Homes. The adoption of the new Agreements will ensure continuous CTF services to the children of Los Angeles County served by the program and provide an opportunity to procure the

services of a consultant to assist in the research and study of important issues that will enhance the provision of CTF services in the future based on current needs of the children and the community.

Both Star View and Vista Del Mar are reimbursed at the RCL 14 rate of $6,317 per child per month. Both providers also receive a supplemental rate of up to $2,500 per child per month, prorated for length of stay, and as authorized by State law, for the additional costs associated with CTF's compared to RCL 14 Group Homes. Vista Del Mar currently receives an additional $1,260 per child per month as approved by the Board on July 23, 2002.

Star View Children and Family Services, Inc. has been placed on "HOLD" status by DCFS effective May 31, 2006 pending an on-going investigation of an incident on May 1, 2006. Presently, investigation is still pending completion. "HOLD" status means that an agency is unable to obtain new referrals. Star View has not obtained a new referral since the "HOLD" status was issued on May 31, 2006, and will not obtain any referrals until the "HOLD" status is lifted.

This Board Letter does not meet the Board's policy on timely filing. Late filing is a result of the unresolved issues during the negotiations that needed to be researched and studied further by DCFS, DMH and Probation Department.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal #1 (Service Excellence), Goal #4 (Fiscal Responsibility), and Goal #5 (Children and Families Well-Being). The recommended action will ensure that services rendered by the two incumbent providers will continue without interruption for the benefit of the Los Angeles County children served by the program.

FISCAL IMPACT/FINANCING

There will be no change in the payment rate under the new Agreements. Both Star View and Vista Del Mar will be reimbursed at the rate established by the State for Group Home RCL 14 in the amount of $6,371 per child per month. In addition, both providers will receive a supplemental rate of $2,500 per month per child pursuant to Welfare and Institutions Code (WIC) Section 4094.2(d). Vista Del Mar will receive an additional supplemental rate of $1,260 per month per child. Therefore, the total cost per month for each child in Star View and Vista Del Mar is $8,871 and $10,131, respectively. All these rates are prorated based on a placement's length of stay at the CTF.

Star View has 40 CTF beds and Vista Del Mar has 24 CTF beds available for placements. Vista Del Mar's bed allocation had been increased to 24 beds (from 21 beds) per CDSS letter dated October 20, 2003. The occupancy rate for both agencies based on data from prior years is 90%. This rate is reflected in the cost of the new Agreement for each provider. The estimated total maximum contract sum for these two

separate Agreements from July 1, 2006 through June 30, 2007 is $2,057,280. This cost will be financed using approximately 27.8% State revenue and 72.2% Net County Cost (NCC). Sufficient funding is included in the DCFS FY 2006-07 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Superior Court gives responsibility for the care, custody, and control for each Dependent Child to DCFS, and for each Ward to the Probation Department (Probation). The Department of Mental Health (DMH) clients are placed by their parents voluntarily (pursuant to Title 1, Division 7, Chapter 26.5, California Government Code). The recommended action will allow continuous CTF services without interruption and also provides an opportunity for the County to conduct the necessary research and study utilizing the services of a consultant to enhance the provision of the CTF services that will be more responsive to the need of the children and the community.

WIC Section 4094.2 (d) authorizes a supplemental rate of up to $2,500 per child per month in addition to the RCL 14 Group Home rate of $6,371 per child per month. The additional supplemental rate of $1,260 per child per month for Vista Del Mar approved by your Board on July 23, 2002 was to assist the provider who was then operating at a loss due to inability to operate at full bed capacity. This additional supplemental rate for Vista Del Mar is 100% NCC.

The CAO and County Counsel have reviewed this Board Letter and the CAO has approved it for filing. The Agreement has been approved as to form by County Counsel.

CONTRACTING PROCESS

No solicitation process is required for these two separate Agreements. These two providers were initially chosen through a State released RFP to solicit providers to be licensed for a State-wide CTF program. These two providers are the only State licensed CTF facilities in Los Angeles County.

DCFS has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to these Agreements.

IMPACT ON CURRENT SERVICES

Approval of the recommended actions will allow for Community Treatment Facility services to be provided without interruption."

CONCLUSION

Upon approval by your Board, it is requested that the Executive Officer/Clerk of the Board send a copy of the adopted Board Letter and the executed Agreements to:

1. Department of Children and Family Services
   Contracts Administration
   Attention: Walter Chan, Contract Manager
   425 Shatto Place, Room 400
   Los Angeles, CA 90020

2. Department of Mental Health
   Contracts Development and Administration Division
   Attention: Richard Kushi, Chief
   550 S. Vermont Avenue
   Los Angeles, CA 90020

3. Probation Department
   Contract Management Division
   Attention: Yolanda Young, Director
   9150 E. Imperial Hwy
   Downey, CA 90242

4. Office of the County Counsel
   Advice and Litigation Division
   Attention: Janice Kasai, Deputy County Counsel
   648 Kenneth Hahn Hall of Administration
   500 West Temple Street, Suite 602
   Los Angeles, CA 90012-2713

5. Star View Children and Family Services, Inc.
   1501 Hughes Way, Suite 150
   Long Beach, CA 90810
   Attention: Kent Dunlap, Executive Director

6. Vista Del Mar Child and Family Services
   3200 Motor Avenue
   Los Angeles, CA 90034
   Attention: Elias Lefferman, Ph.D., President/CEO

Respectfully submitted,

DAVID SANDERS, Ph.D.
DIRECTOR, DEPARTMENT OF
CHILDREN AND FAMILY SERVICES

MARVIN J. SOUTHARD, D.S.W.
DIRECTOR, DEPARTMENT OF
MENTAL HEALTH

ROBERT TAYLOR, CHIEF PROBATION OFFICER
PROBATION DEPARTMENT

DS:WC:RML:bv

Attachments (2)

c: Chief Administrative Office
   County Counsel

ATTACHMENT A

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AND DEPARTMENT OF MENTAL HEALTH

COMMUNITY TREATMENT FACILITY AGREEMENT

WITH

STAR VIEW CHILDREN AND FAMILY SERVICES, INC.

JULY 2006

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES AND
DEPARTMENT OF MENTAL HEALTH
COMMUNITY TREATMENT FACILITY AGREEMENT

TABLE OF CONTENTS

Section Number and Title **Page**

1.0 APPLICABLE LAWS, REGULATIONS, AND DOCUMENTS 2
2.0 INTENTIONALLY LEFT BLANK 3
3.0 DEFINITIONS 3
4.0 CONTRACT SUM 4
5.0 CHANGE NOTICES AND AMENDMENTS 5
6.0 CONTRACTOR'S SERVICES 6
7.0 TERM 7
8.0 PAYMENT 7
9.0 PAYMENT ERRORS 9
10.0 USE OF FUNDS 10
11.0 RECORDS AND AUDITS – FINANCIAL 12
12.0 RECORDS AND AUDITS – OTHER 15
13.0 CONTRACT COMPLIANCE AND PROGRAM INVESTIGATIONS 16
14.0 FINANCIAL REPORTING 18
15.0 OVERPAYMENT 19
16.0. SUBCONTRACTING 19
17.0 ASSIGNMENT BY CONTRACTOR 20
18.0 STATE LICENSE 21
19.0 OTHER SOURCES OF INCOME 21
20.0 PUBLICITY 22
21.0 COMPLIANCE WITH APPLICABLE LAWS 22
22.0 COMPLIANCE WITH CIVIL RIGHTS LAWS 23
23.0 NONDISCRIMINATION AND AFFIRMATIVE ACTION 23
24.0 NONDISCRIMINATION IN SERVICES 24
25.0 TERMINATION OF AGREEMENT FOR DEFAULT 25
26.0 TERMINATION FOR CONVENIENCE 26
27.0 TERMINATION FOR IMPROPER CONSIDERATION 27
28.0 TERMINATION FOR CONVENIENCE BY CONTRACTOR 27
29.0 LIMITATION OF COUNTY'S OBLIGATION DUE TO NONAPPROPRIATION OF FUNDS 27
30.0 NOTICES 28
31.0 CONFLICT OF INTEREST 29
32.0 EMPLOYEE BENEFITS AND TAXES 29
33.0 MUTUAL INDEMNIFICATION 29
34.0 GENERAL INSURANCE REQUIREMENTS 31
35.0 INSURANCE COVERAGE REQUIREMENTS 33

36.0 INDEPENDENT CONTRACTOR STATUS 34
37.0 CONFIDENTIALITY 34
38.0 COVENANT AGAINST CONTINGENT FEES 34
39.0 SUSPENSION OF INTAKE (DO NOT REFER) 35
40.0 REMOVAL OF PLACED CHILDREN (DO NOT USE) 35
41.0 AUTHORIZATION WARRANTY 35
42.0 EMPLOYMENT ELIGIBILITY VERIFICATION 35
43.0 CRIMINAL CLEARANCES 36
44.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE 36
45.0 CONSIDERATION OF HIRING FORMER COUNTY EMPLOYEES TARGETED FOR LAYOFF 37
46.0 CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT 37
47.0 FORMER FOSTER YOUTH CONSIDERATION 37
48.0 DISPUTE RESOLUTION 38
49.0 COUNTY RESPONSIBILITY 40
50.0 CHILD SUPPORT COMPLIANCE PROGRAM 42
51.0 INTENTIONALLY LEFT BLANK 42
52.0 NOTICE OF DELAYS 43
53.0 USE OF RECYCLED-CONTENT PAPER 43
54.0 REAL PROPERTY, EQUIPMENT, FIXED ASSETS 43
55.0 COMMUNITY BUSINESS ENTERPRISES PROGRAM 43
56.0 CLIENT GRIEVANCES 44
57.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT 44
58.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT 46
59.0 CONTRACT ENFORCEMENT, QUALITY ASSURANCE PLAN, MONITORING, AND REVIEW 46
60.0 COMPLIANCE WITH JURY SERVICE PROGRAM 47
61.0 SAFELY SURRENDERED BABY LAW 48
62.0 INTERPRETATION OF CONTRACT 49
63.0 ADMINISTRATION OF CONTRACT – CONTRACTOR 50
64.0 ADMINISTRATION OF CONTRACT – COUNTY 52
65.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE 53
66.0 BUDGET REDUCTION 53
67.0 HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA) 54

EXHIBITS

Exhibit A Statement of Work
Exhibit B Contractor’s Community Treatment Facility Program Statement

Exhibit C Contractor Employee Acknowledgement and Confidentiality Agreement – Contractor's Non-Employee Acknowledgement And Confidentiality Agreement
Exhibit C-1 Office of Management and Budget Circular NO. A-122
Exhibit D County Fiscal Audit Phases, Fiscal Audits Of Community Treatment Facility Contractors and Auditor-Controller Community Treatment Facility Contract Accounting And Operating Handbook
Exhibit E Contractor's Proposed Budget
Exhibit F Definition of Terms
Exhibit G Agreed Upon Interagency Placement Screening Committee Guidelines
Exhibit H Jury Service Program Certification and Los Angeles County Code 2.203 (Jury Service Program)
Exhibit I Safely Surrendered Baby Law Fact Sheet
Exhibit J Contractor's Administration
Exhibit K County's Administration
Exhibit L Charitable Contributions Certification
Exhibit M Contractor's Equal Employment Opportunity (EEO) Certification
Exhibit N IRS Notice 1015
Exhibit O Semi-Annual Expenditure Report
Exhibit P Crosswalk Fact Sheet

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICESAND DEPARTMENT OF MENTAL HEALTH
COMMUNITY TREATMENT FACILITY AGREEMENT

This Agreement is entered into on_____, 2006, by and between the COUNTY OF LOS ANGELES, hereinafter referred to as "COUNTY", and, STAR VIEW CHILDREN AND FAMILY SERVICES, INC. hereinafter referred to as "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Sections 26227, 3100, and 53703, COUNTY is permitted to contract for services; and

WHEREAS, the COUNTY has the duty to provide care and protection for children placed in its charge pursuant to the provisions of Health and Safety Code Section 1500, et seq., and Welfare and Institutions Code Section 16500 et seq;

WHEREAS, existing COUNTY facilities do not have the capacity nor the specialized programs to provide the care and protection for all children in its charge;

WHEREAS, the COUNTY finds it impractical to develop and maintain facilities to care for all of the children in its charge;

WHEREAS, the State of California has established licensed "Community Treatment Facilities" through Health and Safety Code Sections 1500, et seq., Welfare and Institutions Code Sections 4094, et seq., and implementing State regulations; and

WHEREAS, the CONTRACTOR operates a Community Treatment Facility (hereinafter “CTF”) duly licensed by the California Department of Social Services, Community Care Licensing Division and has the capability to provide the required care and protection to a portion of the children and the CONTRACTOR is willing to render the services;

WHEREAS, the COUNTY finds the CONTRACTOR's program to be economically advantageous to the COUNTY and to provide a safe, secure and nurturing living environment in which the children can develop physically, emotionally, socially, educationally, spiritually and culturally; and

WHEREAS, the parties contemplate the maximum number of placements possible in CONTRACTOR’s facility for COUNTY children, and agree that priority consideration will be given to COUNTY placements; and

WHEREAS, pursuant to the provisions of Section 11460 of the Welfare and Institutions Code, the California Department of Social Services (CDSS) is designated to administer

a state system for establishing rates in the Aid to Dependent Children – Foster Care (AFDC-FC) program; and

WHEREAS, the parties agree that the additional requirements imposed by statutes and regulations upon CTFs, above and beyond what is required for foster care group homes funded at the State "RCL 14" level, necessitate funding in addition to that provided by the State for such group homes; and

WHEREAS, the State has deferred providing such additional funding pending actual CTF operating experience; and

WHEREAS, COUNTY is willing, for the duration of this Agreement (unless the State provides funding during the term thereof), to provide additional funding subject to certain restrictions and conditions;

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

1.0 APPLICABLE LAWS, REGULATIONS, AND DOCUMENTS

1.1 The parties understand and agree that CTFs are duly licensed and regulated by the State of California, and that, by way of emphasis and not limitation, all applicable provisions of law, including any amendments that may be made, must be complied with by CONTRACTOR in the operation of the CTF, including: Health and Safety Code Sections 1500-1557; Welfare and Institutions Code Sections 4094-4096.5; Government Code Sections 7570-7588 (Interagency Responsibilities for Providing Services to Handicapped Children); California Code of Regulations, Title 22, Sections 80000-84188; and California Code of Regulations, Title 9, Sections 1900-1938.

1.2 Exhibits A, and C through P are attached to and form a part of this Agreement. Exhibit B, Contractor's CTF Program Statement is not attached hereto, but is on file with DCFS Group Home Resource Development and Support and DCFS Contracts Administration. This exhibit is incorporated by reference in full as though fully set forth herein.

1.3 CONTRACTOR also acknowledges receipt of the following and understands and agrees that they will be utilized by COUNTY in interpreting and evaluating CONTRACTOR's performance under this Agreement:

Special Incident Reporting Guide for Community Treatment Facilities

DCFS 4389 (4/94), Declaration in Support of Access to Juvenile Records (WIC 827) Including Additional Confidentiality Issues

DCFS 709 (1/94), Foster Child's Needs and Case Plan Summary

DCFS 2281 (12/97), Sufficient Clothing Supply List

FYI 9409 (2/94), Requirements for Medical/Dental Exams for Placed Children

Administration of Psychotropic Medicines to DCFS Supervised Children Emancipation Preparation Contract

Department of Children and Family Services Investigation Guidelines and Policy for Suspension of Intake and Removal of Children

Community Business Enterprise Program Certification Application

OMB Circular A-133 Audits of State, Local Governments, and Non-Profit Organizations (Contractor shall be responsible for securing the latest updated version of this Circular.)

POLICY AND GUIDELINES FOR LOS ANGELES COUNTY INTERAGENCY PLACEMENT COMMITTEE

1.4 This Agreement, and the Exhibits hereto, constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. No addition or alteration of the terms of this Agreement shall be valid unless made in accordance with the provisions set forth in Section 5.0, Change Notices and Amendments, in the body of this Agreement.

1.5 In the event of any conflict in the definition or interpretation of any word, responsibility, service, schedule, or provision between the body of this Agreement and the Exhibits, the terms of the Agreement shall govern.

2.0 INTENTIONALLY LEFT BLANK

3.0 DEFINITIONS

The parties understand and agree that the Definitions of Terms set forth in Exhibit F will apply in interpreting the Agreement.

4.0 CONTRACT SUM

4.1 COUNTY and CONTRACTOR agree that this Agreement is for placements of children, at the Rate Classification Level (RCL) 14 rate of $6,371 per child per month, paid through Aid for Families of Dependent Children – Foster Care (AFDC-FC) funds, and in addition, the supplemental rate payment of $2,500 per child per month for CTF services paid through this Agreement. The supplemental rate payment is a firm-fixed price Agreement. During the term of this Agreement, COUNTY shall compensate CONTRACTOR for the services set forth in this Agreement, including Exhibit A, Statement of Work.

4.2 CONTRACTOR shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the CONTRACTOR's duties, responsibilities, or obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the COUNTY's express prior written approval.

4.3 CONTRACTOR shall maintain a system of record keeping that will allow CONTRACTOR to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Agreement. Upon occurrence of this event, CONTRACTOR shall notify COUNTY, in the manner set forth in Section 30.0, Notices, of this Agreement.

4.4 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 Agreement. Should CONTRACTOR receive any such payment, CONTRACTOR shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement. Agreement 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 Agreement. Notwithstanding the foregoing, if COUNTY does not remove a Placed Child from a group home following termination of this Agreement, COUNTY will pay based upon the group home's RCL rate.

4.5 The total amount payable under this Agreement is One Million, Eighty-Two Thousand, Six Hundred and Eight-eight Dollars ($1,082,688), hereinafter referred to as "Maximum Contract Sum". The maximum amount payable under this Agreement for each of the Agreement years shall not exceed One Million, Eighty-Two Thousand, Six Hundred and Eight-eight Dollars ($1,082,688), hereinafter referred to as "Maximum Annual Contract Sum".

4.6 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 Agreement, 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 E, Contractor's Proposed 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 5.0, Change Notice and Amendments, hereof, CONTRACTOR shall prepare and submit an amended Budget.

4.7 Time is of the essence with regards to CONTRACTOR's performance of any tasks, deliverables, goods, services, or other work, as specified in this Agreement, provided, however, the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

5.0 CHANGE NOTICES AND AMENDMENTS

COUNTY reserves the right to change any portion of the work required under this Agreement, or make amendment to such other terms and conditions as may become necessary and reasonable. Any significant cost impact associated with such an amendment will be addressed in developing the amendment. A "SIGNIFICANT COST IMPACT" is defined as an incremental cost of $1200 annually on a cumulative basis. Such revisions will be accomplished in the following manner:

5.1 Any and all Exhibits other than CONTRACTOR's Statement of Work, Program Statement, and Proposed Budget (Exhibits A, B, and E, respectively), and any other Document expressly referred to as having been provided to CONTRACTOR by COUNTY, may be unilaterally changed by COUNTY to reflect changes in County, State, or Federal laws, regulations, ordinances, court orders or rulings, or in COUNTY policies or procedures, provided that such changes reflecting modifications to COUNTY policies or procedures with SIGNIFICANT COST IMPACT on CONTRACTOR must be amended pursuant to Section 5.2 or 5.3. Amendments made pursuant to this Section 5.1 shall be effective upon the effective date of the legislative change or court order, or in the case of other documents upon the delivery of such to CONTRACTOR.

5.2 For any change which does not have a significant cost impact, affect the scope of work, period of performance, payments, or which does not

materially alter any term or condition included in this Agreement, or for any change in CONTRACTOR's Program Statement, a change notice shall be prepared by COUNTY, and executed by CONTRACTOR and Program Directors or designee. As used herein, the term "MATERIALLY ALTER" is defined as being a change which, in the sole discretion of COUNTY, warrants execution by the Board of Supervisors.

5.3 For any change not covered by 5.1 or 5.2, an amendment to this Agreement will be prepared by COUNTY, signed by CONTRACTOR, and thereafter submitted to COUNTY's Board of Supervisors for consideration and, if approved, execution.

6.0 CONTRACTOR'S SERVICES

6.1 CONTRACTOR agrees to provide services for the needs of each placed child as outlined in the California Department of Social Services (CDSS) Manual of Policy and Procedures, Section 11400 et seq., California Code of Regulations, Title 22, and Exhibit A, Statement of Work. Such services shall be provided by CONTRACTOR to each placed child in accordance with the CONTRACTOR's Program Statement attached hereto as Exhibit B and consistent with the CTF license for which CONTRACTOR is paid.

6.2 The CONTRACTOR's Program Statement will be submitted for approval by COUNTY at initiation and renewal of this CTF Agreement. CONTRACTOR shall submit a revised Program Statement to COUNTY at any time during the term of this Agreement that CONTRACTOR makes changes to the program or to the facility including, but not limited to, Program Statement changes that affect the Rate Classification Level (RCL) as defined by WIC 16501.5. The CONTRACTOR's Program Statement will include, but not be limited to, operating capacity, specific statements defining intake policy, treatment services and policies, preplacement and discharge policies, detailed statements of the total services provided by CONTRACTOR, staffing and the Group Home Program Cost Report (SR3) and the Group Home Program Payroll and Fringe Benefit Report (SR4) submitted to the rate setting and licensing agencies. CONTRACTOR's performance under this Agreement will be evaluated in part based on CONTRACTOR's Program Statement. Changes to the Program Statement shall be made in accordance with Section 5.0, Change Notices and Amendments.

6.3 The parties understand and agree that appropriate MENTAL HEALTH SERVICES will be provided to the children placed in the CTF. The parties agree that the terms and conditions for such services will be governed exclusively by an existing separate agreement with COUNTY's Department of Mental Health and Star View Children And Family Services, Inc., and any Amendments thereto, PROVIDED that any real or perceived

conflicts will be resolved to the fullest extent possible to ensure compliance with the State laws and regulations governing CTFs. The parties agree to support the maximization of Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Medi-Cal funding for these MENTAL HEALTH SERVICES and that no portion of the COUNTY augmentation dollars (CGF) will replace EPSDT funds.

6.4 The parties understand and agree that costs associated with educational, medical, and dental services shall be reimbursed in whole or in part through means other than this Agreement.

7.0 TERM

The term of this Agreement shall be from July 1, 2006, ordate of execution, whichever is later, through June 30, 2007, unless earlier terminated in accordance with the termination provisions herein.

7.1 County has no obligation to pay for expenditures by Contractor that exceed the Maximum Contract Sum.

7.2 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 Agreement. Should CONTRACTOR receive any such payment, CONTRACTOR shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement 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 Agreement. Notwithstanding the foregoing, if COUNTY does not remove a Placed Child from a CTF following termination of this Agreement, COUNTY will pay based upon the CTF's rate.

7.3 CONTRACTOR shall notify COUNTY when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, CONTRACTOR shall notify COUNTY, in the manner set forth in Section 30.0, Notices, of this Agreement.

8.0 PAYMENT

COUNTY has received and approved CONTRACTOR's Proposed Budget, Exhibit E, in accordance with the statutes and regulations governing CTFs. CONTRACTOR will offer the level of care and services required to receive the highest foster care rate provided for under the current group home rate system. Payment shall only occur for days spent at the CTF. If a placement is made into

another of Contractor's Programs, e.g., Psychiatric Health Facility, Title IV-E funds and CTF supplemental funds cannot be utilized.

8.1 In addition, COUNTY will pay CONTRACTOR up to two-thousand five-hundred dollars ($2500) per month per COUNTY-placed child from CGF, prorated, for CTF child care and supervision services not reimbursed from other funding sources. The parties agree that payment of these CGF funds is only for ACTUAL ALLOWABLE COSTS, in accordance with the payment, invoice, and review provisions set forth in this Agreement. CONTRACTOR will work with COUNTY to maximize revenue from non-COUNTY sources.

8.2 CONTRACTOR may make reallocations of expenses between major budget categories without COUNTY consent, as long as such reallocations do not exceed 10% in the annual aggregate. CONTRACTOR may, in addition, request reallocations between major budgeted categories in excess of 10% in any category in the annual aggregate, PROVIDED that such requests do not change the Maximum Contract Sum, and are in writing and approved by COUNTY's Program Manager and Finance Officer. COUNTY will accept no more than three such requests each contract period, unless the Program Manager determines the need for additional budget modifications, in his sole discretion.

8.3 CONTRACTOR shall complete and submit vouchers in arrears, for services rendered in the CTF in the previous month. Billing shall only be for days spent in the CTF and shall be exclusive of any other programs. All vouchers shall be received within five days of the last day of the previous month. Vouchers shall be sent to:

Revenue Enhancement
Vendor Voucher Validation Unit
P.O. Box 2969
Covina, CA 91722-8969

8. 4 Placements lasting less than a full month shall be prorated. Payment shall commence the day the child is placed with the CONTRACTOR in the CTF and terminate the day before the child is removed. When the CONTRACTOR holds open a bed at the request of the child's COUNTY Worker in anticipation of the child's return, COUNTY shall pay for that bed for the requested number of days up to seven (7) days for requests from DCFS.

8. 5 COUNTY shall make every effort to pay the CONTRACTOR the amount due within 15 calendar days after receipt of the voucher or payment authorization date. Retroactive and supplemental increases in payment to

CONTRACTOR shall not be bound by the 15 calendar day payment goal. Questions regarding payment should be directed to the DCFS Foster Care Hotline at (800) 697-4445.

8.6 CONTRACTOR shall notify the COUNTY within 30 days of the receipt of any payment that is incorrect. Notification must be made by completing the Payment Resolution Notification form (COV 71) and faxing it to (626) 858-9143. Interest charges may be assessed from the 30th day following identification and written notification of the incorrect payment, at a rate equal to COUNTY's current Pool Rate, as determined by COUNTY's Auditor-Controller, per day on the delinquent amount due. Interest charges shall be paid by CONTRACTOR upon demand. COUNTY will resolve payment discrepancies within 30 days of receipt of the Payment Resolution Notification Form. COUNTY will provide CONTRACTOR with written notice of payment resolutions. CONTRACTOR will be required to repay any excess funds in accordance with Section 9.0 of this Agreement. COUNTY shall make every effort to pay CONTRACTOR any underpayment within 30 days of written notice of payment resolution to CONTRACTOR.

8.7 In addition to any other notice requirements, CONTRACTOR shall notify DCFS Foster Care Hotline at (800) 697-4444 for DCFS children or DMH Countywide Case Management Unit at (213) 738-2906 for DMH children, within 24 hours whenever a child leaves the CONTRACTOR's facility or a child is moved from one RCL level of care to another RCL level of care within CONTRACTOR's program.

8.8 Should CONTRACTOR, after having a child admitted into a psychiatric hospital, decide not to take the child back, then all foster payments made to CONTRACTOR to keep space available for that child shall be returned immediately to the COUNTY by CONTRACTOR, unless otherwise agreed to by COUNTY and CONTRACTOR.

8.9 The COUNTY may, at its discretion, implement an alternative payment system to replace the current voucher payment system. Any changes to the payment system will be discussed with the CONTRACTOR prior to implementation.

8.10 CONTRACTOR will be required to use unrestricted funds to repay any interest charges or liquidated damages assessed by the COUNTY.

9.0 PAYMENT ERRORS

9.1 In the event that COUNTY identifies an excess payment made to CONTRACTOR, COUNTY will notify CONTRACTOR of such in writing. Upon receipt of such notice, CONTRACTOR shall within thirty (30)

calendar days, return the excess payment to COUNTY, or execute an agreement to pay within another mutually agreed upon time frame, or register a written notice of dispute, with accompanying documentation, to:

Division Chief, Revenue Enhancement
Department of Children and Family Services
800 South Barranca Street, 4th Floor
Covina, CA 91732

In the event CONTRACTOR does not return payment, enter into an agreement for payment within a mutually agreed upon time frame, or register a written notice of dispute, within thirty (30) days of receipt of such notice, COUNTY may place CONTRACTOR on Do Not Refer Status, pursuant to DCFS Administrative Hold policy.

CONTRACTOR may request that any dispute under this provision be resolved pursuant to Section 48.0.

9.2 Upon final determination of the amount owed, if the CONTRACTOR refuses or is unable to repay the amount owed or no longer receives funds from the COUNTY, the COUNTY, at its sole discretion, may collect directly or refer the case to the appropriate COUNTY agency.

9.3 The COUNTY may charge interest as described in Section 8.6 if payment errors are not promptly repaid.

10.0 USE OF FUNDS

10.1 CONTRACTOR shall be organized and operated as a Federal Tax Exempt (if applicable) non-profit corporation throughout the term of this Agreement and conduct itself in accordance with all accounting and operating requirements of such status.

10.2 CONTRACTOR shall use AFDC-FC funds paid to and Expended by CONTRACTOR only for the care and Services of Placed Children, in order to maintain the standards of care and Services consistent with the Statement of Work and the AFDC-FC payments received. By August 1 of each year, CONTRACTOR shall submit to COUNTY a cost allocation plan, which provides for the reasonable allocation of CONTRACTOR's Expenditures for the then current fiscal year. CONTRACTOR's cost allocation plan shall be developed in accordance with the principles included in OMB Circular A-122 (Exhibit C-1) and the Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook (Exhibit D).

10.3 CONTRACTOR shall Expend foster care funds on reasonable and allowable Expenditures in providing the necessary care and Services, as specified in this Agreement, for children placed by COUNTY. The determination of reasonable and allowable Expenditures shall be in accordance with OMB Circular A–122 (Exhibit C-1); Manual of Policy and Procedures Sections 11-400, 11-402, 11-403, 11-404, and 11-420; and 45 CFR 74.27, and the Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook (Exhibit D). Any AFDC-FC funds not Expended in accordance with the above will be disallowed on monitoring/audit, and will require repayment by CONTRACTOR. Any dispute regarding repayment of funds is subject to the provisions outlined in Section 48.0, Dispute Resolution.

10.4 All uses of AFDC-FC funds paid to and Expended by CONTRACTOR and other financial transactions related to CONTRACTOR's provision of Services under this Agreement are subject to review and/or audit by DCFS, Probation, COUNTY's Auditor-Controller or its designee, as set forth in Exhibits C-1 and D. In the event this Agreement 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 or Probation, upon demand by COUNTY. Upon notice by CONTRACTOR, COUNTY will, upon verification by COUNTY, reduce the audit disallowance claimed by COUNTY by the amount subject to repayment to the state for duplicated disallowed Expenditures during the time period covered by COUNTY's audit.

10.5 Notwithstanding any other provision of this Agreement, in addition to all other rights to monitor, including but not limited to audit, CONTRACTOR and COUNTY agree that it is the intent of the parties that COUNTY shall have the right to audit any and all use of AFDC-FC funds, paid to and Expended by CONTRACTOR, in order to ensure that all Expended and unspent funds are accounted for and that unspent funds are held for the future benefit of Placed Children, and to determine the appropriate disposition of unallowable Expenditures.

10.6 Total accumulated unexpended funds (TAUF) shall include (1) CONTRACTOR's un-Expended funds; and (2) CONTRACTOR's accumulated, unexpended AFDC-FC funds received from COUNTY between September 1, 2003 through the expiration date of the most recently completed contract term. If facts suggest the possibility of fraud or significant abuse, COUNTY reserves the right to review uses of unexpended funds accumulated in periods prior to September 1, 2003. CONTRACTOR's TAUF shall be reflected on its Semi-Annual Expenditure Report (Exhibit O).

At the end of any given CONTRACTOR fiscal year, any TAUF that is equal to or less than two months budgeted revenues for COUNTY's Group Home program for its next fiscal year may be retained by CONTRACTOR for future use for the benefit of Placed Children for reasonable and allowable costs. The maximum level of retainable TAUF will hereafter be referred to as the TAUF Ceiling. In the event that CONTRACTOR's TAUF, at the end of any given CONTRACTOR fiscal year, exceeds the TAUF Ceiling, CONTRACTOR shall develop a plan regarding how to utilize the TAUF for the benefit of Placed Children for reasonable and allowable costs, and shall submit the plan to Director's Deputy Director level designee for review and approval within 60 Days of the fiscal year end. Section 11-404.2 through 11-404.2.24 of the State Manual of Policy and Procedure provides examples of permissible uses of unexpended funds. Said Sections may provide a guideline for permissible uses of TAUF. However, all CONTRACTOR plans for uses of TAUF require pre-approval by the COUNTY.

If the plan is not approved, CONTRACTOR shall, in consultation with COUNTY, work to develop a revised plan for TAUF excess that is acceptable to COUNTY within 30 days of denial of proposed plan. COUNTY shall respond in writing within 25 days of receipt of CONTRACTOR's revised plan. CONTRACTOR shall respond with any proposed amendments to revised plan within 15 business days of receipt of COUNTY's written response. COUNTY will issue a final plan within 5 days of receipt of CONTRACTOR's amendments.

CONTRACTOR'S failure to develop an appropriate plan for the utilization of excess TAUF, or the Expenditure of excess TAUF without a COUNTY approved plan shall constitute a material breach of the Agreement. In such instance, COUNTY may take appropriate action, pursuant to this Agreement, including, but not limited to, that under Sections 39.0, Suspension of Intake (Do Not Refer), and 40.0 (Removal of Placed Children (Do Not Use) with the understanding that CONTRACTOR may appeal the final decision pursuant to the Dispute Resolution in Section 48.0.

11.0 RECORDS AND AUDITS – FINANCIAL

11.1 CONTRACTOR shall maintain accurate and complete financial records of all its activities and operations relating to this Agreement which are in accordance with Generally Accepted Accounting Principles and which meet the requirements for contract accounting, internal control and financial reporting as identified in Exhibit D. Such records shall include, but not be limited to, accounting ledgers, journals, canceled checks, time cards, personnel records, fringe benefit rate notices, receipts and invoices, payroll tax records, subcontracts, space and equipment lease

agreements, and other relevant accounting books, records, worksheets and logs, as appropriate for ensuring CONTRACTOR accountability of Agreement expenditures and program performance.

11.2 All documents identified in Section 11.1 shall be kept and maintained by CONTRACTOR and shall be made available to COUNTY during the term of this Agreement and for a period of five (5) years thereafter, unless COUNTY's written permission is given to dispose of any such material prior to such time. In the event CONTRACTOR does not make available its records within the territorial limits of County of Los Angeles, or a county contiguous thereto if CONTRACTOR's principal place of business is located in a contiguous county, CONTRACTOR agrees to pay all necessary and reasonable transportation and travel expenses incurred by COUNTY in conducting any review at the location where said records are maintained.

11.3 All uses of funds paid to CONTRACTOR by COUNTY for provision of services under this Agreement are subject to review and/or audit by DCFS, COUNTY's Auditor-Controller or its designee, or the State of California. Any audits conducted by COUNTY's Auditor-Controller will be conducted in accordance with protocols established by COUNTY Auditor-Controller, which shall be substantially similar to protocols set forth in Exhibit D. CONTRACTOR shall, during normal business hours, allow appropriate COUNTY, State and Federal agencies, including CDSS, and COUNTY's Auditor-Controller or its designee, to evaluate, audit, review, inspect, and monitor its accounting books and records of program operations, including the interview of CONTRACTOR's staff, insurance agents, bank personnel, board members, vendors, and subcontractors.

11.4 Upon request, CONTRACTOR shall provide COUNTY with copies of records and documents, including placed children's records and personnel records. CONTRACTOR shall be responsible for the cost of providing photocopies to COUNTY. COUNTY agrees to limit requests for copies of records to an as-needed basis only.

11.5 In the event that a fiscal audit is conducted of CONTRACTOR by COUNTY, COUNTY may send a copy of such audit to CDSS for appropriate action. If, as a result of a fiscal audit or investigation, the Director in his or her sole discretion, determines that a violation of an obligation under this Agreement has occurred or that audit exceptions, determined in accordance with Section 11.2 or Section 12.0 exist, COUNTY shall have all available remedies specified in this Agreement. Such remedies shall include placing CONTRACTOR on DO NOT REFER (Administrative) or DO NOT USE (Administrative) as set forth in Department of Children and Family Services Investigation Guidelines and Policy for Suspension of Intake and Removal of Children.

11.6 CONTRACTOR shall be responsible for having timely annual financial audits and/or reviews in accordance with applicable Federal and State laws and regulations.

11.7 All audits conducted of CONTRACTOR by a Federal or State auditor or by any independent auditor engaged by CONTRACTOR or otherwise, shall be filed with COUNTY's DCFS' Quality Assurance Division and COUNTY's Auditor-Controller's Audit Division within thirty (30) days of CONTRACTOR's receipt of the final audit report, unless otherwise provided by applicable Federal or State law. COUNTY shall maintain the confidentiality of such audit records to the extent they are not subject to disclosure under the Public Records Act. Further, COUNTY may disclose all such audit reports to other governmental agencies.

11.8 If the COUNTY conducts a fiscal audit of a CONTRACTOR, COUNTY shall offer CONTRACTOR an opportunity to have an exit conference, as set forth in Exhibit D, prior to issuance of the audit report.

In the event CONTRACTOR disputes any or all fiscal audit findings and recommendations, CONTRACTOR may appeal them pursuant to the Dispute Resolution as set forth in Section 48.0 of this Agreement.

11.9 Failure on the part of CONTRACTOR to comply with the provisions of this Section 11.0 shall constitute a material breach of this Agreement upon which COUNTY may terminate this Agreement.

11.10 AUDIT SETTLEMENT

If, at any time during the term of this Agreement or within five (5) years after the expiration or termination of this Agreement, 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.

12.0 RECORDS AND AUDITS – OTHER

12.1 CONTRACTOR shall maintain and retain records on each child as required by Community Care Licensing regulations, Exhibit A Statement of Work, and Exhibit B CONTRACTOR's Program Statement. Such records shall include, but not be limited to, placement and termination documents, community service activities, extracurricular school activities, placed children's financial records (clothing, allowances, earnings, medical expenses, etc.), diagnostic evaluations and studies, child interviews, progress notes (treatment, school, medical, etc), and notes on services provided by the various professional and paraprofessional staff (treatment, recreation, child care, etc.). The records shall be in sufficient detail to permit an evaluation of services provided.

12.2 All such material, including, but not limited to, documents identified in Section 12.1 , shall be kept and maintained by CONTRACTOR and shall be made available to COUNTY during the term of this Agreement and for a period of five (5) years thereafter, unless COUNTY's written permission is given to dispose of any such material prior to such time. In the event the CONTRACTOR does not make available its records within the territorial limits of the COUNTY of Los Angeles, or a county contiguous thereto if CONTRACTOR's principal place of business is located in a contiguous county, CONTRACTOR agrees to pay all necessary and reasonable transportation and travel expenses incurred by COUNTY in conducting any review at the location where said records are maintained.

12.3 Pursuant to the Terms and Conditions of this Agreement, the COUNTY may inspect and conduct investigations of the CONTRACTOR's program operations, without prior notice to CONTRACTOR, seven days a week, 24 hours a day. COUNTY also retains the right to conduct audits to ensure that children referred to CONTRACTOR are being provided services in accordance with this Agreement. Procedures for such investigations and program audits are set forth in Exhibit D. Such guidelines and procedures may include a scoring continuum which reflects percentage findings of aggregated elements within a review category. While COUNTY and Providers commit to an ongoing collaborative process and a good faith effort to develop CTF program review guidelines and procedures which are acceptable to CTF providers, COUNTY reserves the right to make the final determination of the content of such guidelines and procedures. Once such guidelines and procedures are developed, Exhibit D will be amended accordingly and any further program inspections and investigations will be conducted consistent with such guidelines and procedures. In the event that such guidelines and procedures have not been developed within ninety (90) days following implementation of this Agreement, program audits will be discontinued until the guidelines and procedures are in place.

12.4 Upon request, CONTRACTOR shall provide COUNTY with photocopies of records and documents, including children's records and personnel records. CONTRACTOR shall be responsible for the cost of providing photocopies to the COUNTY. The COUNTY agrees to limit requests for copies of records to an as needed basis only.

12.5 In the event that an audit is conducted of CONTRACTOR by COUNTY, COUNTY may send a copy of such audit to CDSS for appropriate action. If, as a result of an audit or investigation, the Director in his/her sole discretion determines that a violation of an obligation under this Agreement has occurred or that audit exceptions, determined in accordance with Sections 6.1, 11.2 and this Section 12.0, exist, CONTRACTOR shall pay to COUNTY the full amount of CONTRACTOR's liability for such violations or audit exceptions upon demand by COUNTY and COUNTY shall have available all remedies specified in this Agreement.

13.0 CONTRACT COMPLIANCE AND PROGRAM INVESTIGATIONS

13.1 COUNTY may inspect and conduct investigations of CONTRACTOR's program operations and contract compliance without prior notice to CONTRACTOR, seven days a week, 24 hours a day. COUNTY retains the right to do audits to ensure that placed children referred to CONTRACTOR are being provided services in accordance with this Agreement. Program review guidelines and procedures are set forth in COUNTY'S DCFS Investigation Guidelines, a copy of which CONTRACTOR acknowledges receipt.

13.2 Such reviews and/or audits shall encompass all of CONTRACTOR's financial, program, employees, subcontractors and placed children's records related to services provided under this Agreement, and any other financial transactions, as determined necessary to ensure that AFDC-FC and CGF funds have been accounted for and expended in accordance with the regulations set forth in Section 10.2.

13.3 CONTRACTOR shall maintain and retain records on each placed child as required by Community Care Licensing regulations, Exhibit A Statement of Work, and Exhibit B CONTRACTOR's Program Statement. Such records shall include, but not be limited to, placement and termination documents, medical and dental records, placed children's financial records (clothing, allowances, earnings, medical expenses, etc.), diagnostic evaluations and studies, placed child interviews, social worker progress notes (including treatment, school, extracurricular activities at school or in the community, etc.), and notes on services provided by the various professional and paraprofessional staff (treatment, recreation, child care, etc.). The records

shall be in sufficient detail to permit an evaluation of services provided. All such documents shall be kept and maintained by CONTRACTOR for the period of time services are rendered the placed child and for at least five (5) years following termination of services to the child.

13.4 In the event a Program Director determines in his/her sole discretion that a violation of an obligation under this Agreement, or breach of any provision hereof, as a result of a program audit or investigation conducted pursuant to Section 11.0, has occurred, COUNTY and CONTRACTOR shall have all of the rights and remedies set forth below unless such violation or breach is determined, by a Program Director, in his/her sole discretion, to pose a health or safety risk to any placed child or children in which case COUNTY may enforce remedies in accordance with Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use), of this Agreement. CONTRACTOR may also request to meet with the Out-of-Home Care Division Chief. For violations that are determined not to pose a health or safety risk, the following remedies will be applied in sequence:

13.4.1 CONTRACTOR will be required to cure the violation or breach within a time period designated by COUNTY and to submit a Corrective Action Plan (CAP) in accordance with Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use).

13.4.2 If CONTRACTOR fails to submit and/or implement a CAP or otherwise satisfactorily cure the violation or breach, COUNTY may place CONTRACTOR on “Do Not Refer” (Administrative) as provided in Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use), until such time as the violation or breach has been satisfactorily cured.

13.4.3 If CONTRACTOR fails to submit and/or implement a CAP or otherwise satisfactorily cure the violation within thirty (30) days of the Do Not Refer action, COUNTY may place CONTRACTOR on “Do Not Use” (Administrative) and remove placed children as provided in Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use), or take any and all such actions, at law or in equity, including, but not limited to, the termination of this Agreement as set forth herein, as deemed appropriate by COUNTY.

13.4.4 The parties acknowledge and agree that, in considering CONTRACTOR'S obligations, Federal law regarding special education rights of students, including status quo, "right to stay pending," and "stay put orders" must be complied with.

13.5 In the event that COUNTY believes there is any violation or breach of any Title 22 licensing requirement or Title 9 CTF requirement, COUNTY may refer the violation to the Community Care Licensing Division of the California Department of Social Services, and the State Department of Mental Health for appropriate action, including the imposition of any applicable fines and penalties.

14.0 FINANCIAL REPORTING

14.1 CONTRACTOR shall report and reconcile quarterly the actual $2,500 per child CTF revenues with actual quarterly revenues and expenditures on the Expenditure Report in accordance with CONTRACTOR's approved budget. CONTRACTOR shall submit such Expenditure Reports to:

Department of Children and Family Services
Finance Services Division
425 Shatto Place, Room 204
Los Angeles, CA 90020

The Expenditure Report shall be submitted no later than sixty (60) calendar days following the last day of the quarter for which it is due. In the event Expenditure Reports are not received timely by COUNTY, COUNTY may place CONTRACTOR on DO NOT REFER (Administrative), subject to exceptions for good cause as determined by COUNTY, until Expenditure Reports are received. The quarterly report will apply for CTFs and replaces the Semi-Annual Expenditure Report.

14.2 COUNTY total financial obligation to CONTRACTOR shall not exceed verified expenditures incurred by CONTRACTOR. If actual costs as identified in quarterly expense statements are significantly below (no less than 10%) the CONTRACTOR's RCL rate plus CGF amount, the parties shall meet to review the variance. If actual costs continue significantly below, without satisfactory explanation, COUNTY may modify its total financial obligation.

14.3 Contractor shall reconcile all revenues received as referenced in Section 8.1 to actual allowable costs for services and supervision which are not otherwise reimbursable from other resources in excess of RCL 14. The reconciliation shall be submitted according to the provisions of Section 14.1 within 60 calendar days following the last day of the Agreement

period. Any overpayment due to the County shall be paid to the County according to the provisions of Section 15.0.

15.0 OVERPAYMENT

15.1 CONTRACTOR agrees that when a sustained overpayment, as described in WIC 11466 et seq. is identified, CONTRACTOR shall repay to the State or COUNTY within 30 calendar days at the end of each quarterly period the amount of the overpayment including interest in accordance with WIC 11466 et seq.

15.2 Failure by the CONTRACTOR to make payments as required in a repayment agreement between the State and the CONTRACTOR for the payment of sustained overpayments may result in placing CONTRACTOR's agency on "Do Not Refer" status by COUNTY until the overpayment has been repaid.

16.0. SUBCONTRACTING

16.1 COUNTY and CONTRACTOR acknowledge and agree that CONTRACTOR may subcontract for provision of social work, therapy and other specific services to be provided to placed children hereunder. Such subcontracting shall be close in conformance within the provisions of this Section 16.0.

16.2 All of the provisions of this Agreement 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 Agreement 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."

16.3 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.

16.4 CONTRACTOR shall obtain the following from each subcontractor before any subcontractor employee may perform any work under any subcontract to this Agreement. CONTRACTOR shall maintain and make available upon request of Program Manager all the following documents.

16.4.1 An executed Employee Acknowledgment and Contractor Non-Employee Confidentiality Agreement (see Exhibit C), executed by each subcontractor and each of subcontractor's employees approved to perform work hereunder.

16.4.2 Certificates of insurance which establish that the subcontractor maintains all the programs of insurance required by Section 34.0 of this Agreement (Insurance), and

16.4.3 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.

16.5 CONTRACTOR shall provide COUNTY's Program Manager with copies of all executed subcontracts.

16.6 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 Agreement, including, but not limited to, the obligation to properly supervise, coordinate, and perform all work required hereunder.

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

16.8 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 subcontractor or their officers, employees, and agents.

17.0 ASSIGNMENT BY CONTRACTOR

17.1 CONTRACTOR shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of COUNTY, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Section 17.1, COUNTY consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by COUNTY to any approved delegate or assignee on any claim under the Agreement shall be deductible, at COUNTY's sole discretion, against the claims, which CONTRACTOR may have against COUNTY.

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

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

18.0 STATE LICENSE

During the term of this Agreement, CONTRACTOR shall have, maintain and post a valid license as a CTF issued by the California Department of Social Services, Community Care Licensing Division.

19.0 OTHER SOURCES OF INCOME

19.1 CONTRACTOR shall forward any income (e.g., SSI, inheritances, personal injury and victims of crime awards, etc.) received on behalf of a child, other than the child's personal earnings, to the following address:

DCFS Finance Office
425 Shatto Place Rm. #204
Los Angeles, California 90020

CONTRACTOR shall work with COUNTY to ensure future income payments are paid directly to the COUNTY by the payor.

19.2 The provisions of this Section do not in any way require the CONTRACTOR to apply revenue, income, private grants or gifts which are unrestricted, to any cost or expense of CONTRACTOR which is reimbursable by COUNTY hereunder.

19.3 The provisions of this Section do not supersede State regulations in the treatment of revenue, income, private grants or gifts in determining the rate of payment.

20.0 PUBLICITY

20.1 The CONTRACTOR shall not disclose any details in connection with this Agreement 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 Agreement within the following conditions:

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

B. During the course of performance of this Agreement, 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.

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

21.0 COMPLIANCE WITH APPLICABLE LAWS

21.1 CONTRACTOR shall conform to and abide by all applicable Municipal, COUNTY, State and Federal laws and regulations, court rules, and ordinances, whether or not referred to in this Agreement, 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 herein, the same must be obtained from the regulatory agency having jurisdiction there over.

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

21.3 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 this Section.

21.4 The CONTRACTOR agrees to abide by all applicable Federal, State, and local laws, including the Americans with Disabilities Act (ADA) and its requirements to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, the CONTRACTOR's program.

22.0 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 Agreement or under any project, program or activity supported by this Agreement.

23.0 NONDISCRIMINATION AND AFFIRMATIVE ACTION

23.1 CONTRACTOR certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies, are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

23.2 CONTRACTOR shall certify to, and comply with, the provisions of Exhibit M, Contractor's Equal Employment Opportunity (EEO) Certification.

23.3 CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or

termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

23.4 CONTRACTOR certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

23.5 CONTRACTOR certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

23.6 CONTRACTOR shall allow COUNTY representatives access to CONTRACTOR's employment records during regular business hours to verify compliance with the provisions of this Section 23.0 when so requested by COUNTY.

23.7 If the COUNTY finds that any provisions of this Section 23.0 have been violated, such violation shall constitute a material breach of contract upon which COUNTY may determine to terminate this Agreement. While the COUNTY reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Opportunity Commission or the Federal Equal Employment Opportunity Commission that the CONTRACTOR has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by COUNTY that the CONTRACTOR has violated the anti-discrimination provisions of this Agreement.

23.8 The parties agree that in the event the CONTRACTOR violates any of the anti-discrimination provisions of this Agreement, the COUNTY shall, at its sole option, be entitled to the sum of Five Hundred Dollars ($500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

24.0 NONDISCRIMINATION IN SERVICES

In the performance of this Agreement the CONTRACTOR shall not discriminate in the delivery of services as provided in and consistent with the CONTRACTOR's Program Statement, attached hereto as Exhibit B, on the basis of race, religion, color, creed, national origin, sex, sexual orientation, age, condition of physical or mental handicap, marital status or political affiliation. The

CONTRACTOR shall comply with the Civil Rights Act of 1964, Government Code Section 11135 and all other applicable laws and regulations, in addition to complying with the CONTRACTOR's CDSS, CCLD license. The CONTRACTOR shall not discriminate based upon race, religion, ancestry, national origin, sex, sexual orientation, age, condition or physical or mental handicap, marital status or political affiliation. COUNTY and CONTRACTOR agree that CONTRACTOR will accept or reject children for placement consistent with CONTRACTOR's Program Statement and in compliance with CONTRACTOR's license. Such determination may not be arbitrary and capricious, unreasonable or discriminatory.

25.0 TERMINATION OF AGREEMENT FOR DEFAULT

25.1 COUNTY may terminate the whole or any part of this Agreement if COUNTY determines at its sole discretion that any of the following circumstances exist:

25.1.1 CONTRACTOR has made a misrepresentation of any required element in the bid/proposal submitted in response to the Invitation for Bids/Request for Proposals; if any; or

25.1.2 CONTRACTOR fails to perform any material provision of this Agreement.

25.1.3 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;

25.1.4 Transfer of the controlling interest of CONTRACTOR to any person(s) or entity(ies) other than those in control at the time of the execution of this Agreement or other violation of Section 17.0, Assignment and Delegation of Rights, hereof.

25.1.5 Insolvency of CONTRACTOR as determined by any of the following:

1. CONTRACTOR 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;

2. The filing of a voluntary petition in bankruptcy;

3. The appointment of a Receiver or Trustee for CONTRACTOR; or

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

25.1.6 Notice that CONTRACTOR's AFDC-FC Rate will be terminated by the State. Actual termination of the Rate is not required for default pursuant to this provision.

25.2 Any termination by COUNTY for default will be in accordance with the terms and conditions of this Agreement

25.3 In the event that COUNTY terminates the Agreement in whole or in part as provided in this Section, COUNTY may recover damages to the extent permitted by applicable law.

25.4 CONTRACTOR shall not be liable, if its failure to perform this Agreement arises out of causes beyond the control and without the fault or negligence of CONTRACTOR. Such causes may include, but not be limited to: acts of God or of the public enemy, acts of COUNTY in either its sovereign or contractual capacity, acts of Federal or State Governments in their sovereign capacities, fires, floods, epidemics, riots, earthquakes, quarantine restrictions, strikes, freight embargoes and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of CONTRACTOR.

25.5 If, after COUNTY has given notice of termination under the provisions of this Section, it is determined by the COUNTY that CONTRACTOR was not in default under the provisions of this Section or that the default was excusable under provisions of this Section, the rights and obligations of the parties shall be the same as if notice of termination had been issued pursuant to Section 26.0, Termination for Convenience.

25.6 The remedies reserved the COUNTY herein shall be cumulative and in addition to any other remedies provided in law or equity.

26.0 TERMINATION FOR CONVENIENCE

26.1 This Agreement may be terminated, when such action is deemed by COUNTY to be in its best interest. Termination of this Agreement shall be effected by delivery to CONTRACTOR or a written notice of termination specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than sixty (60) days after the notice is sent unless by mutual consent.

26.2 After receipt of a notice of termination, COUNTY shall provide for the removal of placed children in a fashion consistent with the best interest of the children.

27.0 TERMINATION FOR IMPROPER CONSIDERATION

27.1 COUNTY may, by written notice to CONTRACTOR, immediately terminate the right of CONTRACTOR to proceed under this Agreement 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 Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the CONTRACTOR's performance pursuant to the Agreement. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

27.2 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 (800) 544-6861.

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

28.0 TERMINATION FOR CONVENIENCE BY CONTRACTOR

The Agreement may be terminated when such action is deemed by CONTRACTOR to be in its best interest. Termination of this Agreement shall be effective by the delivery to COUNTY of such notice of termination specifying the date which such termination becomes effective. The date upon which such termination becomes effective shall be no less than sixty (60) days after the notice is sent. In the event of a breach by COUNTY under this Agreement, CONTRACTOR shall have all remedies available at law.

29.0 LIMITATION OF COUNTY'S OBLIGATION DUE TO NONAPPROPRIATION OF FUNDS

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

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

29.3 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.

30.0 NOTICES

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:

David Sanders, Ph.D., Director
Department of Children and Family Services
425 Shatto Place
Los Angeles, California 90020
Attention: Walter Chan, Manager
Contracts Administration

All notices to CONTRACTOR shall be sent to CONTRACTOR:

Kent Dunlap, Executive Director
Star View Children and Family Services, Inc.
1501 Hughes Way, Suite 150
Long Beach, CA 90810

or such other place as may hereinafter be designated in writing by the CONTRACTOR.

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 or of a co-partner, or if the CONTRACTOR is a corporation, of an officer or member of the corporation, or by the managing agent regularly in charge of the work on behalf of CONTRACTOR, shall in any case be sufficient notice.

31.0 CONFLICT OF INTEREST

No County employee whose position in COUNTY enables such employee to influence the award or administration of this Agreement or any competing Agreement, 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 Agreement. 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.

CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. 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.

32.0 EMPLOYEE BENEFITS AND TAXES

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

32.2 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 Agreement or CONTRACTOR'S performance hereunder.

33.0 MUTUAL INDEMNIFICATION

33.1 CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its Special Districts, elected and appointed officers, employees, and agents (COUNTY) from and against any and all liability and expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, property damage, and/or violation of any applicable Municipal, County, State, and Federal laws and regulations, Court Rules or ordinances resulting from or connected with CONTRACTOR's acts or omissions resulting from its performance of this Agreement but only in proportion to and to the extent such liability, expense or damage is caused

by any negligent or willful act or omission of CONTRACTOR, its employees or agents.

33.2 CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its agents, officers and employees from any and all CONTRACTOR employee Worker's Compensation claims, suits, liability, or expense resulting from its performance of this Agreement and will bear the sole responsibility and liability for furnishing Worker's Compensation benefits in an amount and form to meet the State of California's statutory requirements, and in amounts as set forth in Section 35.3, to any and all CONTRACTOR personnel for injuries arising from or connected with Services performed under this Agreement.

33.3 CONTRACTOR shall indemnify COUNTY, and hold it harmless from any and all loss, damage, costs, and expenses, including reasonable attorney's fees, suffered or incurred on account of any breach by CONTRACTOR of the obligations and covenants described in subsections 33.1 and 33.2.

33.4 COUNTY shall indemnify, defend, and hold harmless CONTRACTOR, its agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage resulting from or connected with COUNTY's acts or omissions, resulting from its performance of this Agreement but only in proportion to and to the extent such liability, expense or damage is caused by any negligent or willful act or omission of COUNTY, its Special Districts, elected and appointed officers, employees, or agents.

33.5 COUNTY shall indemnify, defend, and hold harmless CONTRACTOR, its agents, officers and employees from any and all COUNTY employees Worker's Compensation suits, liability, or expense resulting from its performance of this Agreement and will bear the sole responsibility and liability for furnishing Worker's Compensation benefits in an amount and form to meet the State of California statutory requirements to any and all COUNTY personnel for injuries arising from or connected with Services performed under this Agreement.

33.6 COUNTY shall indemnify CONTRACTOR, and hold it harmless from any and all loss, damage, costs and expenses, including reasonable attorney's fees, suffered or incurred on account of any breach by COUNTY of the obligations and covenants described in subsections 33.4 and 33.5.

34.0 GENERAL INSURANCE REQUIREMENTS

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Agreement, CONTRACTOR shall provide and maintain, and shall require all of its subcontractors to maintain, the programs of insurance specified in this Agreement in Section 34.0, Insurance Coverage Requirements. 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.

34.1 Evidence of Insurance: Prior to commencing services under this Agreement, certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to:

Contracts Administration
Department of Children and Family Services
425 Shatto Place, Room 400
Los Angeles, CA 90020
Attn: Walter Chan, Manager

Such certificates or other evidence shall:

34.1.1 Specifically identify this Agreement.

34.1.2 Clearly evidence all coverages required in this Agreement.

34.1.3 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.

34.1.4 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 Agreement.

34.1.5 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.

34.2 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.

34.3 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 Agreement. 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.

34.4 Notification of Incidents, Claims or Suits: CONTRACTOR shall report to COUNTY:

34.4.1 Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.

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

34.4.3 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.

34.4.4 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 Agreement.

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

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

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

34.6.2 CONTRACTOR providing evidence submitted by subcontractors evidencing that sub-contractors maintain the required insurance coverage. COUNTY retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

35.0 INSURANCE COVERAGE REQUIREMENTS

35.1 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

35.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than $1 million for each accident. Such insurance shall include coverage for all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto," and include a deductible no greater than $1,000 in accordance with County Code (Section 2.38.060).

35.3 Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which CONTRACTOR is responsible. If CONTRACTOR's employees will 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

35.4 Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than $1 million per occurrence and $2 million aggregate. The coverage also shall provide an extended two-year reporting period commencing upon termination or cancellation of this Agreement.

36.0 INDEPENDENT CONTRACTOR STATUS

This Agreement 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 Agreement 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 Agreement.

37.0 CONFIDENTIALITY

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 Agreement. All employees of CONTRACTOR who have access to confidential records and data must sign and adhere to the attached "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit C. CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.

Notifications are to be forwarded to:

DCFS – Office of Risk Management
425 Shatto Place, Room 603
Los Angeles, CA 90020
(213) 351-5704

38.0 COVENANT AGAINST CONTINGENT FEES

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

For breach or violation of this covenant, COUNTY shall have the right to terminate this Agreement 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.

39.0 SUSPENSION OF INTAKE (DO NOT REFER)

Notwithstanding any other provision of this Agreement, the COUNTY retains the right to suspend referrals of children to CONTRACTOR at any time at its sole discretion. To the extent possible and reasonable and without interfering with any law enforcement investigation, the COUNTY will discuss the reason(s) for suspension of referral with the CONTRACTOR verbally and in a written letter at the time of the decision. The CONTRACTOR may discuss the recommendation or action with representatives from the COUNTY.

40.0 REMOVAL OF PLACED CHILDREN (DO NOT USE)

Notwithstanding any other provision of this Agreement, the COUNTY retains the right to remove or cause to be removed any or all placed children from the CONTRACTOR's facility, at its sole discretion, at any time that the COUNTY determines such action is in the best interest of the placed children. To the extent possible and reasonable and without interfering with any law enforcement investigation, the COUNTY will discuss the reason(s) for the removal of the placed children with the CONTRACTOR verbally and in a written letter at the time of the decision. The CONTRACTOR may discuss the recommendation or action with the attorney for the child and representatives from the COUNTY.

41.0 AUTHORIZATION WARRANTY

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

42.0 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 Agreement.

43.0 CRIMINAL CLEARANCES

43.1 For the safety and welfare of the children to be served under this Agreement, CONTRACTOR agrees, as permitted by law, to ascertain arrest and conviction records for all current and prospective employees, independent CONTRACTOR, volunteers or subcontractors who 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.

43.2 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 come in contact with children while providing services under this Agreement when such information becomes known to CONTRACTOR.

43.3 CONTRACTOR agrees to follow the requirements for criminal clearances found in California Health and Safety Code Section 1522 CONTRACTOR shall also perform a Child Abuse Index check for each of its employees.

43.4 CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (person required to register as controlled substance offenders) and those defined in the following Penal Code sections or any future Penal Code sections which address these crimes.

43.5 CONTRACTOR shall provide constant on-site supervision to staff working directly with children and families until all criminal clearances have been received, in accordance with this Section. COUNTY will assist CONTRACTOR in working with Community Care Licensing to ensure minimum waiting time for clearance.

43.6 CONTRACTOR shall immediately notify COUNTY of any Child Abuse Index check that indicates a name match, any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent CONTRACTOR, volunteer staff or subcontractor who come in contact with placed children while providing services under this Agreement when such information becomes known to CONTRACTOR.

44.0 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's Lobbyist Ordinance,

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 Agreement upon which COUNTY may, in its sole discretion, immediately terminate or suspend this Agreement.

45.0 CONSIDERATION OF HIRING FORMER COUNTY EMPLOYEES TARGETED FOR LAYOFF

Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement to perform 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 re-employment list during the term of this Agreement.

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

46.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement, 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. For this purpose, consideration shall mean that CONTRACTOR will interview qualified candidates. The COUNTY will refer GAIN/GROW participants by job category, to CONTRACTOR.

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

47.0 FORMER FOSTER YOUTH CONSIDERATION

47.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement, CONTRACTOR shall give third consideration (after COUNTY employees, and GAIN participants as described above) for any such position(s) to qualified former foster youth. For this purpose, consideration shall mean that CONTRACTOR will interview qualified candidates. CONTRACTOR shall notify COUNTY of any new or vacant position(s) within CONTRACTOR's firm by sending via mail or facsimile, a list denoting any position(s) for which hiring is anticipated to:

DCFS
Emancipation Services Division
3530 Wilshire Blvd., Suite 400
Los Angeles, California 90010
Attention: Dr. Jeff Dorsey
FAX: (213) 637-0035

47.2 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 applications)/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).

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

48.0 DISPUTE RESOLUTION

48.1 CONTRACTOR and COUNTY agree to act promptly and diligently to mutually resolve any disputes which may arise with respect to this Agreement. All such disputes shall be subject to the provisions of this Section 48.0

48.2 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.

48.3 In the event of any dispute between the parties with respect to this Agreement, CONTRACTOR's Administrator or designee and COUNTY's DCFS Quality Assurance Manager or Revenue Enhancement Payment Manager or Probation's Central Placement Consultant shall resolve such dispute within 30 days from the date of submission of dispute. Disputes shall be submitted in writing in accordance with Section 48.5 and delivered to the appropriate address below:

48.3.1 For payment issues, deliver to the Division Chief, Revenue Enhancement at the address listed in Section 9.1.

48.3.2 For all other issues involving DCFS, deliver to DCFS Out-of Home Care Division, at the address listed below:

DCFS
Out-of-Home Care Division
9320 Telstar Avenue
El Monte, CA 91731

48.4 In the event that the CONTRACTOR Administrator or Designee and County's Out-of-Home Care Division Chief or Payment Manager or Probation's Central Placement Consultant are unable to resolve the dispute within a reasonable time not to exceed thirty (30) working days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director or designee and COUNTY's Out-of-Home Care Division Chief or Revenue Enhancement Payment Division Chief or Probation's Placement Supervisor for further consideration and discussion to attempt to resolve the dispute.

48.5 In the event that the CONTRACTOR's Executive Director or designee and County's Out-of-Home Care Division Chief or Probation's Central Placement Consultant are unable to resolve the dispute within a reasonable time not to exceed thirty (30) days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director, or designee and to the Director of DCFS or Probation's Central Placement Regional Director (for purposes of this Section 48.5, hereinafter referred to as "COUNTY Director") for further consideration and discussion to attempt to resolve the dispute within fifteen (15) calendar days from the date of submission of dispute to their level. In the event no agreement is reached, the Director's decision shall stand. CONTRACTOR shall retain all rights to appeal the Director's decision through the filing of a claim pursuant to Los Angeles County Code, Title 4, Chapter 4.04.

48.6 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 48.0, 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).

48.7 Notwithstanding any other provision of this Agreement, COUNTY's right to terminate this Agreement pursuant to Section 25.0, Termination of Agreement for Default, Section 26.0, Termination for Convenience, or any other termination provision hereunder, and COUNTY's right to seek injunctive relief to enforce the provisions of Section 37.0, Confidentiality, shall not be subject to this Section 48.0, Dispute Resolution.

49.0 COUNTY RESPONSIBILITY

Except to the extent that the CONTRACTOR's ability to perform is dependent on the COUNTY's performance, CONTRACTOR's covenants and responsibilities under this Agreement shall not be conditional upon COUNTY's performance of the covenants contained in this Section 49.0.

49.1 COUNTY shall provide Community Care Licensing with DCFS CTF Program Statement Guideline Amendment for distribution to CONTRACTOR.

49.2 COUNTY shall carefully review for approval and acceptance, the CONTRACTOR's Program Statement and any Program Statement Amendments prior to and during the term of the Agreement. In addition, the COUNTY will monitor/audit the CONTRACTOR for compliance with the rules and regulations related to residential care programs for children including the Los Angeles COUNTY Foster Care Agreement.

49.3 CONTRACTOR shall be given reasonable access to appropriate personnel. CONTRACTOR shall be given pertinent documentation, information relevant to providing foster care services in accordance with DCFS Court Policy for confidentiality as currently written and as amended from time to time. CONTRACTOR shall hold all such information in confidence pursuant to the provisions of Section 37.0 in the body of this Agreement.

49.4 The COUNTY shall provide CONTRACTOR with all available information about the child that can be released with DCFS 4389 (4/94), Declaration In Support Of Access to Juvenile Records (WIC §827), on file in the case record at the time a referral is being made. The declaration shall indicate that the CONTRACTOR's request for information is for the purpose of assessing the ability of the CONTRACTOR to meet the placement needs of the child on an ongoing basis to meet the treatment needs of the child. This information will include, but not be limited to, medical, mental health, educational and placement history.

49.5 COUNTY shall arrange for the child to visit a potential placement prior to placement, when possible. If the CONTRACTOR, the child's COUNTY Worker and the child agree, the child may be admitted at the time of the pre-placement visit.

49.6 COUNTY Worker shall acknowledge in writing on appropriate form that orientation discussion with child and COUNTY Worker was completed. The orientation includes, but is not limited to, CONTRACTOR's house rules, grievance procedures, complaint procedures, etc.

49.7 COUNTY DCFS Worker shall provide CONTRACTOR with a placement packet including the MediCal card and Medical and Education Passport for the child at the time of placement. Medical Record Folder shall include a signed "routine medical treatment authorization" form.

49.8 COUNTY shall be responsible for obtaining clothing available to the child within two days of placement and, when applicable, issuing supplemental funds, in accordance with COUNTY regulations and limitations, to meet the child's needs based on the DCFS 2281 (rev 12/97), Sufficient Clothing Supply List. In addition, all emancipating youth shall be assured of four outfits suitable for school or work if his/her wardrobe at the time of emancipation does not include at least four outfits suitable for school or work.

49.9 COUNTY Workers shall work in conjunction with CONTRACTOR to develop the needs and services plan, which shall be consistent with the case plan/case plan update. The case plan/case plan updates shall include, but not be limited to, transitional independent living plan (TILP), handling of child's earnings, treatment goals and objectives, visitation plan, transportation needs and who is responsible for what. The DCFS Worker shall document the case plan/case plan update information on the DCFS 709, Foster Child's Needs and Case Plan Summary (original to CONTRACTOR) case plan/case plan update and SOC 154. Agency - Group Home Agreement (copy to CONTRACTOR).

49.10 COUNTY Worker shall document information received in verbal and written report(s) from the CONTRACTOR in the child's DCFS case record, prepare a case plan update as needed and incorporate the information in the next court report. The documentation of CONTRACTOR's verbal reports in the DCFS case record shall include, but not be limited to, who called, the date and a summary/highlights of the conversation indicating the type of verbal report received (monthly, special incident or emergent removal report).

49.11 COUNTY will follow State Division 31 Regulations on visitation of children in placement.

49.12 COUNTY Worker shall obtain parent or Court consent, as needed, for the child's medical care, participating in recreation activities, participation in school activities, etc.

50.0 CHILD SUPPORT COMPLIANCE PROGRAM

50.1 Contractor's Warranty Of Adherence To County's Child Support Compliance Program

50.1.1 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.

50.1.2 As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting CONTRACTOR's duty under this Agreement to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall during the term of this Agreement maintain in 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 Child Support Services Department (CSSD) Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

50.2 Termination For Breach Of Warranty To Maintain Compliance With County's Child Support Compliance Program

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Section .50.1, Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Agreement. Without limiting the rights and remedies available to COUNTY under any other provision of this Agreement, failure CONTRACTOR to cure such default within 90 calendar days of written notice shall be grounds upon which COUNTY may terminate this Agreement pursuant to Section 25.0, Termination of Agreement for Default, and pursue debarment of CONTRACTOR, pursuant to County Code Chapter 2.202.

51.0 INTENTIONALLY LEFT BLANK

52.0 NOTICE OF DELAYS

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

53.0 USE OF RECYCLED-CONTENT PAPER

Consistent with the Board of Supervisor's policy to reduce the amount of solid waste deposited at the County landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on this Agreement.

54.0 REAL PROPERTY, EQUIPMENT, FIXED ASSETS

54.1 A Fixed Asset is defined as an article of nonexpendable tangible personal property having a useful life of more than two years and an acquisition cost of $5,000 or more of COUNTY funds per unit capitalized.

54.2 CONTRACTOR shall fully comply with all applicable federal, State, and County laws, ordinances, and regulations in acquiring any and all furniture, fixtures, equipment, materials, and supplies with funds obtained under this Agreement.

54.3 CONTRACTOR shall, for any real estate or land or Fixed Asset costing $35,000 or more of funds provided to CONTRACTOR through this Agreement, obtain COUNTY's prior written approval by notifying COUNTY by certified mail. COUNTY shall, within 15 working days of receipt of any such request for approval, provide a written response to CONTRACTOR by certified mail. If COUNTY's response is not received within 15 working days, CONTRACTOR will notify the Chief Deputy for DCFS.

54.4 Upon obtaining COUNTY's prior written approval, the items referenced in Section 54.3 may be purchased and owned by CONTRACTOR. If such prior written approval is not obtained by CONTRACTOR, title to the items referenced in Section 54.3 will vest with COUNTY. All Fixed Assets not requiring COUNTY's prior written approval as described in Section 54.3 shall be deemed owned by CONTRACTOR.

55.0 COMMUNITY BUSINESS ENTERPRISES PROGRAM

In accordance with COUNTY policy, CONTRACTOR has submitted a true and correct copy of Certification Application.

56.0 CLIENT GRIEVANCES

CONTRACTOR shall establish a written procedure to resolve client grievances. The grievance procedures shall be outlined in CONTRACTOR's Program Statement.

57.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

57.1 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 Agreement. It is the COUNTY's policy to conduct business only with responsible contractors.

57.2 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 the Contract, debar the CONTRACTOR from bidding or proposing on, or being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the CONTRACTOR may have with the COUNTY.

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

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

57.5 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 tentative proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred, and if so, the appropriate length of time of the debarment. The CONTRACTOR and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

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

57.7 If a CONTRACTOR has been debarred for a period longer than five years, that CONTRACTOR may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.

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

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

modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

57.9 These terms shall also apply to Subcontractors of COUNTY Contractors.

58.0 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 N.

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

59.1 The Director shall be responsible for the enforcement of this Agreement on behalf of COUNTY and shall be assisted therein by those officers and employees of COUNTY having duties in connection with the administration thereof. Director hereby reserves the right to assign such personnel as are needed to serve as Program Manager 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 Agreement.

59.2 CONTRACTOR hereby agrees to cooperate with the Director, Program Manager, 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.

59.3 The COUNTY or its agent will evaluate CONTRACTOR's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing CONTRACTOR's compliance with all contract terms and performance standards. CONTRACTOR deficiencies which COUNTY determines are severe or continuing and that may place performance of the Agreement 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 consistent with the corrective action measure, COUNTY may terminate this Agreement or impose other penalties as specified in this Agreement.

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

59.5 CONTRACTOR shall prepare and submit to County's Program Manager 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:

59.5.1 Description of services and/or deliverables rendered during the period; dollar amount of services rendered during the period; dollar balance remaining under the Agreement; and any difficulties encountered that could jeopardize the completion of the project or milestones or deliverables within the schedule.

60.0 COMPLIANCE WITH JURY SERVICE PROGRAM

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

60.1 Written Employee Jury Service Policy

60.1.1 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.

60.1.2 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 Agreement, the subcontractor shall also be subject to the provisions of this Section 60.0. The provisions of this Section 60.0 shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

60.1.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Agreement 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 Agreement and at it 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.

60.1.4 CONTRACTOR's violation of this Section 60.0 of this Agreement may constitute a material breach of this Agreement. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Agreement and/or bar CONTRACTOR from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

61.0 SAFELY SURRENDERED BABY LAW

61.1 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

61.1.1 The CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and

how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

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

61.2.1 The CONTRACTOR acknowledges that the COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law. The 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. The CONTRACTOR will also encourage its subcontractors, if any, to post this poster in a prominent positioning 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.

62.0 INTERPRETATION OF CONTRACT

62.1 Validity

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

62.2 Governing Laws, Jurisdiction and Venue

This Agreement 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 Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California.

62.3 Waiver

Any waiver by COUNTY of any breach of any one or more of the covenants, conditions, terms and agreements herein contained 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 agreement 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 agreements herein contained be construed as in any manner changing the terms of this Agreement or stopping COUNTY from enforcing the full provisions thereof.

Captions and Section headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

63.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

63.1 CONTRACTOR's Program Director

63.1.1 CONTRACTOR's Program Director is designated in Exhibit J, CONTRACTOR's Administration. The CONTRACTOR shall notify the COUNTY in writing of any change in the name or address of the CONTRACTOR's Program Director.

63.1.2 CONTRACTOR's Program Director shall be responsible for CONTRACTOR's day-to-day activities as related to this Agreement and shall coordinate with COUNTY's Program Manager and Program Monitor on a regular basis.

63.2 Approval of CONTRACTOR's Staff

COUNTY has the absolute right to approve or disapprove all of CONTRACTOR's staff performing work hereunder and any proposed changes in CONTRACTOR's staff, including, but not limited to, CONTRACTOR's Program Director.

63.3 CONTRACTOR's Staff Identification
CONTRACTOR shall provide, at CONTRACTOR'S expense, all staff providing services under this Agreement with a photo identification badge.

63.4 Background and Security Investigations

63.4.1 At any time prior to or during term of this Contract, the COUNTY may require that all CONTRACTOR staff performing work under this Contract undergo and pass, to the satisfaction of COUNTY, a background investigation, as a condition of beginning and continuing to work under this Contract. COUNTY shall use its discretion in determining the method of background clearance to be used, up to and including a COUNTY performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the CONTRACTOR, regardless if the CONTRACTOR's staff passes or fails the background clearance investigation.

63.4.2 COUNTY may request that CONTRACTOR's staff be immediately removed from working on the COUNTY Contract at any time during

the term of the Contract. COUNTY will not provide to CONTRACTOR or to CONTRACTOR's staff any information obtained through the COUNTY conducted background clearance.

63.4.3 COUNTY may immediately deny or terminate facility access to CONTRACTOR's staff who do not pass such investigation(s) to the satisfaction of the COUNTY whose background or conduct is incompatible with COUNTY facility access, at the sole discretion of the COUNTY.

63.4.4 Disqualification, if any, of CONTRACTOR staff, pursuant to this Sub-section 63.4 shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Agreement.

63.5 Confidentiality

63.5.1 CONTRACTOR shall maintain the confidentiality of all records and information, including the terms and conditions of the Contract, events or circumstances which occur during the course of CONTRACTOR's performance under the Contract, billings, COUNTY records, patient records, and other information obtained from the COUNTY under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

63.5.2 CONTRACTOR shall not reproduce, distribute, or disclose to any person or entity any information identifying, characterizing, or relating to any risk, threat, vulnerability, weakness, or problem regarding data security or maintenance in COUNTY's computer systems, or to any safeguard, countermeasure, or contingency plan, policy or procedure for data security contemplated or implemented by COUNTY, without COUNTY's prior written consent.

63.5.3 CONTRACTOR shall inform all of its directors, officers, shareholders, employees, agents and Subcontractors providing services hereunder of the confidentiality provisions of this Contract.

63.5.4 CONTRACTOR shall cause each employee performing services covered by this Contract to sign and adhere to Exhibit C, "CONTRACTOR's Employee Acknowledgment and Confidentiality Agreement".

63.5.5 CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.

63.5.6 CONTRACTOR agrees to notify COUNTY in writing within twenty-four (24) hours of any actual or suspected misuse, misappropriation, unauthorized disclosure of, or unauthorized access to Confidential Information that may come to CONTRACTOR's attention, and that includes unauthorized access to CONTRACTOR's computer or computers (including those of any Subcontractor involved in the Relationship) containing CONTRACTOR's or COUNTY's Confidential Information related to this Contract, including names and information of referred clients. Unauthorized access may include a virus or worm that penetrates and gains access to a computer and places a back door or keystroke logger on it, or a directed hack/crack that gains access to and some control over a computer.

63.5.7 CONTRACTOR 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.

64.0 ADMINISTRATION OF CONTRACT – COUNTY

A listing of all COUNTY Administration referenced in the following Sub-sections is designated in Exhibit K, COUNTY's Administration. The COUNTY shall notify the CONTRACTOR in writing of any change in the names or addresses shown.

64.1 COUNTY's Program Director

Responsibilities of the COUNTY's Program Director include:

- ensuring that the objectives of this Agreement are met;
- making changes in the terms and conditions of this Agreement in accordance with Section 5.0, Change Notices. and Amendments; and
- providing direction to CONTRACTOR in the areas relating to COUNTY policy, information requirements, and procedural requirements

64.2 COUNTY's Program Manager

The responsibilities of the COUNTY's Program Manager include:

- meeting with CONTRACTOR's Program Manager on a regular basis; and

- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of CONTRACTOR.

The COUNTY's Program Manager is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate COUNTY in any respect whatsoever.

64.3 COUNTY's Contract Program Monitor

The COUNTY's Program Monitor is responsible for overseeing the day-to-day administration of this Agreement. The Program Monitor reports to the COUNTY's Program Manager.

65.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring CONTRACTORS to complete the certification in Exhibit L, the County seeks to ensure that all COUNTY CONTRACTORs, which receive or raise charitable contributions comply with California law in order to protect the COUNTY and its taxpayers. A CONTRACTOR, which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202).

66.0 BUDGET REDUCTION

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 during the term of this Agreement, (including any extensions), and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced correspondingly. 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. Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all of the services set forth in this Agreement.

67.0 HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA)

67.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that it is a "*Covered Entity"* under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.

67.2 The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations related to *transactions and code sets, privacy, and security.* Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

67.3 Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of HIPAA law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees and agents) for its failure to comply with HIPAA.

67.4 Contractor and County understand and agree that HIPAA has imposed additional requirements in regards to changes in DMH's IS (IS refers to Integrated System).

67.4.1 County desires to clarify IS terminology under this Agreement as it relates to HIPAA, and accordingly, has set forth in Exhibit P, Crosswalk Fact Sheet, a "crosswalk" of technical terms, definitions and language to be used with this Agreement.

67.4.2 County has added to the DMH Provider Manual an Electronic Data Interchange/Direct Data Entry (ED/DDE) selection and General Requirements Agreement, which includes the method in which contractor or its Subcontractor(s) elects to submit HIPAA-compliant transactions and requirements for these transactions.

67.4.3 County has added to the DMH Provider Manual a Trading Partner Agent Authorization Agreement which includes the Contractor's authorization to its Subcontractor(s) to submit HIPAA-compliant transactions on behalf of Contractor.

67.5 Contractor understands and agrees that if it uses the services of an Agent in any capacity in order to receive, transmit, store or otherwise process Data or Data Transmissions or perform related activities, the Contractor own acts, failures, or omissions.

67.6 Contractor further understands and agrees that the terms and conditions of the current Trading Partner Agreement (TPA) set forth in the DMH Provider Manual shall apply to this Agreement and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AND DEPARTMENT OF MENTAL HEALTH
COMMUNITY TREATMENT FACILITY AGREEMENT

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Agreement to be subscribed on its behalf by the Director of the Department of Children and Family Services and the Director of the Department of Mental Health, and CONTRACTOR has caused this Amendment 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 _____
David Sanders, Ph.D., Director
Department of Children and
Family Services

By _____
Marvin J. Southard, D.S.W., Director
Department of Mental Health

CONTRACTOR

STAR VIEW CHILDREN AND FAMILY SERVICES, INC.

By _____

Name _____

Title _____

By _____

Name _____

Title _____

94-3238299
Tax Identification Number

APPROVED AS TO FORM:
BY THE OFFICE OF COUNTY COUNSEL
RAYMOND G. FORTNER, JR., County Counsel

BY _____
Janice Kasai, Deputy County Counsel

EXHIBIT A

STATEMENT OF WORK

COMMUNITY TREATMENT FACILITY AGREEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES AND
DEPARTMENT OF MENTAL HEALTH
COMMUNITY TREATMENT FACILITY AGREEMENT

STATEMENT OF WORK

TABLE OF CONTENTS

SECTION		PAGE
A.	PREAMBLE	1
B.	GENERAL REQUIREMENTS AND DESCRIPTION	4
1.0	INTRODUCTION	4
2.0	CONTRACTOR'S MANAGEMENT REQUIREMENTS	4
3.0	MANAGEMENT ORGANIZATION	5
C.	CONTRACTOR'S RESPONSIBILITIES	6
1.0	PROGRAM STATEMENT	6
2.0	LOCATION OF FACILITY AND CHILDREN	7
3.0	PLANNED ACTIVITIES	7
4.0	EDUCATION AND EDUCATIONAL PASSPORT	8
5.0	INDEPENDENT LIVING PROGRAM/EMANCIPATION PLANNING	11
6.0	MEDICAL, DENTAL AND PSYCHIATRIC CARE	13
7.0	TRANSPORTATION	19
8.0	INTAKE AND DISCHARGE	19
9.0	CHILDREN'S RECORDS	22
10.0	NEEDS AND SERVICES PLAN	22
11.0	PSYCHOSOCIAL SUPPORT/PSYCHOLOGICAL CARE	25
12.0	QUALITY OF LIFE	25
13.0	LEGAL PERMANENCY	26
14.0	WRITTEN REPORTS	26
15.0	ORAL REPORTS/TELEPHONE CONTACT	29
16.0	RESIDENT CARE DAYS	29
17.0	VISITATION PLAN	29
18.0	PLACEMENT AND ORIENTATION	30
19.0	ALLOWANCE AND BANK ACCOUNTS	30
20.0	CHORES	31
21.0	FOOD	32
22.0	CLOTHING	32
23.0	PERSONAL NEEDS	35
24.0	SUPERVISION	36
25.0	STAFFING	36
26.0	HOUSING AND LIVING ENVIRONMENT	36
27.0	HEALTH AND SAFETY	37

COUNTY OF LOS ANGELES COUNTY
DEPARTMENT OF CHILDREN AND FAMILY SERVICES, AND
DEPARTMENT OF MENTAL HEALTH
COMMUNITY TREATMENT FACILITY AGREEMENT

STATEMENT OF WORK

A. PREAMBLE

For over a decade, the 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
- Professionalism
- Accountability
- Compassion
- Integrity
- Commitment
- A Can-Do Attitude
- Respect for Diversity

These shared values are encompassed in the County Strategic Plan's eight goals: 1) Service Excellence; 2) Workforce Excellence; 3) Organizational Effectiveness; 4) Fiscal Responsibility; 5) Children and Families' Well-Being; 6) Community Services; 7) Health and Mental Health; and 8) Public Safety. 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:

- ✓ Families are treated with respect in every encounter they have with the health, educational, and social services systems.

- ✓ Families can easily access a broad range of services to address their needs, build on their strengths, and achieve their goals.

- ✓ There is no "wrong door": wherever a family enters the system is the right place.

- ✓ Families receive services tailored to their unique situations and needs.

- ✓ Service providers and advocates involve families in the process of determining service plans, and proactively provide families with coordinated and comprehensive information, services, and resources.

- ✓ The County service system is flexible, able to respond to service demands for both the Countywide population and specific population groups.

- ✓ The County service system acts to strengthen communities, recognizing that just as individuals live in families, families live in communities.

- ✓ In supporting families and communities, County agencies work seamlessly with public and private service providers, community-based organizations, and other community partners.

- ✓ County agencies and their partners work together seamlessly to demonstrate substantial progress towards making the system more strength-based, family-focused, culturally-competent, accessible, user-friendly, responsive, cohesive, efficient, professional, and accountable.

- ✓ County agencies and their partners focus on administrative and operational enhancements to optimize the sharing of information, resources, and best practices while also protecting the privacy rights of families.

- ✓ County agencies and their partners pursue multi-disciplinary service delivery, a single service plan, staff development opportunities,

infrastructure enhancements, customer service and satisfaction evaluation, and revenue maximization.

- ✓ County agencies and their partner create incentives to reinforce the direction toward service integration and a seamless service delivery system.

- ✓ The County human service system embraces a commitment to the disciplined pursuit of results accountability across systems. Specifically, any strategy designed to improve the County human services system for children and families should ultimately be judged by whether it helps achieve the County's five outcomes for children and families: good health, safety and survival, economic well being, social and emotional well-being, and education and workforce readiness.

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.

B. GENERAL REQUIREMENTS AND DESCRIPTION

This Section provides the general requirements that the CONTRACTOR shall meet, including specific responsibilities specified herein, for the Community Treatment Facility Agreement (Agreement). Terms used in this Statement of Work shall have the same meaning given in the Agreement.

1.0 INTRODUCTION

The Board of Supervisors through this Agreement gives authorization for the placement of Dependent minors and Department of Mental Health (DMH) clients. Specific responsibility for the care, custody, control and conduct of each Dependent is given to DCFS by the Superior Court.

2.0 CONTRACTOR'S MANAGEMENT REQUIREMENTS

2.1 CONTRACTOR shall maintain contact with COUNTY as necessary to comply with this Agreement. Such contact shall be the responsibility of CONTRACTOR's Project Manager, or his/her designee.

2.2 CONTRACTOR shall provide information to support development and implementation of foster care resources as requested by COUNTY Program Manager.

2.3 CONTRACTOR shall notify COUNTY Program Manager in writing of any planned changes or absences that would result in CONTRACTOR or CONTRACTOR's designated representative not being available to COUNTY.

2.4 CONTRACTOR is not authorized to conduct negotiations under this Agreement on behalf of COUNTY and/or DCFS and DMH.

2.5 CONTRACTOR shall conduct business as necessary to accomplish CONTRACTOR's responsibilities pursuant to this Agreement including all exhibits and attachments. CONTRACTOR shall meet all the requirements of Division 6, Chapter 5, Section 84172 of Title 22.

2.6 Overall coordination and implementation between CONTRACTOR and COUNTY shall be through the COUNTY Program Managers listed below in Section 3.1.

3.0 MANAGEMENT ORGANIZATION

COUNTY has designated Program Managers to administer this Agreement, monitor CONTRACTOR's activities and provide technical assistance to ensure that CONTRACTOR meets or exceeds the Agreement requirements. The COUNTY'S Program Managers oversee the activities of the CONTRACTOR.

3.1 COUNTY's Management Organization

For the term of this Agreement the COUNTY'S Program Managers shall be:

Department of Children and Family Services,
Division Chief, Out-of-Care Programs
Or his/her designated representative

and

Department of Mental Health
District Chief, Countywide Interagency Program
Or his/her designated representative

3.2 CONTRACTOR's Management Organization

For the term of this Agreement the CONTRACTOR's Project Manager shall be the CONTRACTOR's foster care program administrator.

C. CONTRACTOR'S RESPONSIBILITIES

1.0 PROGRAM STATEMENT

The CONTRACTOR shall adhere to the detailed Program Statement and any amendments thereto, submitted by the CONTRACTOR and approved by COUNTY.

1.1 The CONTRACTOR may, during the term of the Agreement, provide to the COUNTY Program Statement Amendment(s) that reflects any changes in the CONTRACTOR's program. Such Amendments shall be submitted to COUNTY Program Manager or designee for approval and, if accepted, shall be incorporated by Change Notice in accordance with Section 5.0 of the Agreement.

CONTRACTOR understands that the COUNTY shall possess the CONTRACTOR's current Program Statement as part of this Agreement.

1.2 The COUNTY may, during the term of this Agreement, request that CONTRACTOR make revisions to Program Statement by notifying the CONTRACTOR in writing. COUNTY shall review such Program Statement revisions for approval and once accepted by COUNTY, CONTRACTOR's revised Program Statement shall be incorporated by Change Notice in accordance with Section 3.0 of the Agreement.

1.3 Community Treatment Facility License(s)

1.3.1 CONTRACTOR shall maintain a California Department of Social Services (CDSS), Community Care Licensing (CCL), Community Treatment Facility (CTF) License(s) throughout the term of this Agreement and a copy of the current license shall be included in the Program Statement.

1.3.2 If planning to expand or reduce the licensed capacity, add additional sites, or change the age range of placed children served during the term of this Agreement, CONTRACTOR shall contact the appropriate COUNTY Program Manager for consultation prior to contacting CDSS-CCL.

1.4 The CONTRACTOR shall maintain a Foster Care Funding and Rates Bureau community treatment facility rate throughout the term of this Agreement, and a copy of the current rate letter shall be included in the Program Statement.

2.0 LOCATION OF FACILITY AND PLACED CHILDREN

2.1 CONTRACTOR agrees that it shall provide services pursuant to this Agreement only at those sites or homes that are listed in CONTRACTOR's Program Statement (Exhibit B). In the event a child is moved from one site or home to another site or home within CONTRACTOR's program or moved from a non-secure portion of the facility to a secure portion of the facility, CONTRACTOR shall do so only after contacting the COUNTY Worker and receiving prior authorization. CONTRACTOR shall document contact and request written/faxed confirmation from the COUNTY Worker (Sections 84168.4(b)(2) and 84168.4(c)(1) of Title 22). To the extent that prior authorization is not documented by CONTRACTOR, CONTRACTOR is at risk of non-payment of such placement.

2.2 In the event of an emergency, CONTRACTOR may move a placed child without prior authorization from the child's COUNTY Worker. An emergency is defined as any situation that threatens the health or safety of the child or others in the home/site. CONTRACTOR shall notify child's COUNTY Worker of the move as soon as possible but no later than 24 hours after such move. CONTRACTOR shall discuss the situation with the placed child's COUNTY Worker. CONTRACTOR shall document the conversation in the child's record and comply with COUNTY Worker's decision regarding child's placement status.

2.3 The COUNTY shall not unreasonably withhold or delay authorization for CONTRACTOR to move a child from one site or home to another or from a non-secure portion of the facility to a secure portion of the facility.

3.0 PLANNED ACTIVITIES

CONTRACTOR shall provide age-appropriate planned activities as outlined in Division 6, Chapter 5, Section 84079 of Title 22 and encourage participation of every placed child.

3.1 Planned Activities Schedule

In addition to the requirements of Section B.4.3.2, CONTRACTOR shall develop and post a schedule of specific planned recreational and educational activities for residents. Planned activities shall include indoor and outdoor activities, field trips, and outings. A

planned activities schedule will provide for a balance of activities on weekdays and weekends.

3.2 Free Time Activities

CONTRACTOR shall provide equipment and supplies for daily free time activities such as reading material, games, radio, etc., appropriate to the placed child's age and development. CONTRACTOR shall allow placed children to participate in self-chosen activities if they are appropriate.

3.3 Childhood Memories

CONTRACTOR shall encourage and assist each placed child in creating and updating a life book/photo album. The life book/photo album shall consist of, but not be limited to photographs and other items that relate to childhood memories. CONTRACTOR shall encourage and assist each placed child in updating the life book on a quarterly basis.

CONTRACTOR shall ensure that the placed child's life book is passed on to next provider at the same time as the Medical and Educational Passport.

4.0 EDUCATION AND EDUCATIONAL PASSPORT

4.1 Evaluation of Child's Educational Needs

CONTRACTOR shall communicate with and work with the school/school district to determine and meet the placed child's educational program needs. CONTRACTOR shall work with the school to determine and meet the placed child's educational program needs in accordance with the needs and services plan and court order(s).

4.2 Provision of Educational Services

CONTRACTOR shall communicate with and work with the school in meeting the educational needs of the placed child. This includes identification of a specific staff person to represent each placed child at Individual Education Plan (IEP) meetings, parent-teacher conferences, open houses, or any other pertinent activity in accordance with the needs and services plan. CONTRACTOR shall encourage and assist the placed child to participate in school activities.

CONTRACTOR shall document all the above-mentioned activities in the child's case record.

4.3 Daily Homework/Cognitive Developmental Stimulation

4.3.1 CONTRACTOR shall assist the placed child to understand and complete his/her homework.

4.3.2 CONTRACTOR shall also ensure that the placed child engages in other sorts of age-appropriate cognitive developmental intellectual stimulation for an average of two hours per day, on a weekly basis in accordance with the child's needs and services plan. Cognitive developmental intellectual stimulation involves activities that focus on areas of the placed child's assessed educational needs, strengths and areas of interest. This may include a job, computer access time, tutoring, visits to the library or museums, reading, arts, crafts, music, drama, coordination activities, attendance at resident council meetings, and other extra curricular activities.

This requirement may be modified for developmentally disabled or seriously emotionally disturbed placed children according to the needs and services plan approved by the COUNTY Worker.

4.3.3 CONTRACTOR shall facilitate tutoring, as necessary, to improve a placed child's basic skills in the areas needed.

4.3.4 CONTRACTOR shall have a schedule that indicates time allotted for daily homework cognitive developmental stimulation.

4.4 Partnerships with Teachers

CONTRACTOR shall work with placed child's teachers and academic counselor to monitor educational progress, attendance, development, educational level, behavior assessment of strengths and weaknesses, and the overall academic achievement.

CONTRACTOR shall solicit recommendations from the teacher and provide activities that will promote the placed child's progress and intellectual development. CONTRACTOR shall report tutoring needs to the COUNTY Worker.

4.4.1 CONTRACTOR shall make diligent efforts to enroll each placed child in school within three (3) days of placement. Such efforts shall be documented and reported to the COUNTY Worker if the placed child is not enrolled in school after this time.

CONTRACTOR shall report if the placed child's attendance is not regular.

4.4.2 CONTRACTOR shall document and report any contacts initiated by school officials to the COUNTY Worker, or to the parent(s) for a resident placed per AB 3632 or Chapter 26.5 of the California Government Code (Chapter 26.5 resident), regarding the following issues:

4.4.2.1 Child's attendance.

4.4.2.2 Scholastic issues affecting the placed child, including the need for special/remedial programs.

4.4.2.3 Child's behavior.

4.4.2.4 Child's health.

4.4.2.5 Suspension or discipline of the placed child.

4.4.2.6 Credits.

4.4.2.7 Strengths of the placed child.

4.5 Education Passport

COUNTY Worker will provide CONTRACTOR with the placed child's Medical and Educational Passport, or the equivalent, at the time of placement. CONTRACTOR shall maintain the placed child's Passport, or the equivalent, updating with relevant information regarding school placement, attendance, and performance, academic achievement and, where applicable, IEP and/or special education services provided.

CONTRACTOR will provide the updated Passport, or the equivalent, to the COUNTY Worker at the time the placed child departs from the CONTRACTOR's program or provide Passport, or the equivalent, within 3 days to COUNTY or COUNTY Worker if COUNTY Worker is not present at the time of placed child's removal.

4.6 Acceptance of Children Based on Education Setting

CONTRACTOR shall work with the appropriate public school district in order to determine the most appropriate and least restrictive educational setting for each placed child. CONTRACTOR shall not base acceptance of a child for placement solely on his/her qualification for non-public school.

4.7 Education Related Activities

CONTRACTOR shall ensure that each placed child receives school photos and uniforms, when appropriate, and the appropriate clothing and other necessary items to attend his/her prom(s) and graduation(s).

5.0 INDEPENDENT LIVING PROGRAM/EMANCIPATION PLANNING

The requirements for independent living and emancipation planning are outlined in DCFS Policy #OHC 97-05, "Emancipation Planning For Youths in Out-of Home Care." These requirements may be modified for physically and developmentally disabled youths or youths mentally unable to benefit from a Transitional Independent Living Plan (TILP) in accordance with the needs and services plan approved by COUNTY Worker. These requirements are included here [*with additional COUNTY requirements in brackets*].

5.1 CONTRACTOR shall include a detailed description of the emancipation planning services provided in the CONTRACTOR's program statement.

5.2 CONTRACTOR SHALL participate as a core team member.

5.3 CONTRACTOR shall develop and document an individualized emancipation plan for each youth 14 years or older in conjunction with COUNTY Worker. [CONTRACTOR shall require that youth age 14 and older attend workshops or classes related to emancipation skills including the Early Start to Emancipation Preparation program (ESTEP) for DCFS youths 14-15 years old if that is part of the Transitional Independent Living Plan (TILP).]

5.4 CONTRACTOR shall work in conjunction with the COUNTY Worker to implement the individualized emancipation plan (e.g., arrange for specific services, job preparedness, life skills, training classes, etc.) [CONTRACTOR shall identify and assist the youth to become knowledgeable about those resources necessary to meet the youth's emancipation goals such as vocational training programs and other emancipation-related programs.]

5.5 CONTRACTOR shall assist youth in the implementation of his/her section of the case plan.

5.6 CONTRACTOR shall assist youth with sufficient and appropriate clothing for school, work, etc.; obtain employment; develop money management and savings skills; local housing resources; arrange and coordinate transportation.

5.7 CONTRACTOR shall assist youth in the completion of the DCFS 5205B, “Emancipation Preparation Contracts” [quarterly].

5.8 CONTRACTOR shall assist COUNTY Worker with information to complete the DCFS assessment guide (DCFS 414).

5.9 CONTRACTOR shall follow up on school progress; attend and establish partnerships with teachers. [CONTRACTOR shall assist placed youth in applying to colleges and/or vocational schools and for financial aid to cover educational expenses.]

5.10 CONTRACTOR shall develop specific on-site emancipation programs in addition to linkages with other public/private transitional opportunities. [CONTRACTOR shall develop and implement a plan that provides opportunities for all placed youths to learn how to: Plan, shop for and prepare balanced meals; purchase, clean, mend and store appropriate clothing; clean house; use public transportation; apply for and obtain jobs. This plan should also include opportunities to learn basic survival skills and interpersonal and social skills in accordance with the developmental expectations of the placed youth.]

5.11 CONTRACTOR shall develop and/or facilitate the provision of ILP-equivalent services for youths unable to participate in mainstream ILP classes. [CONTRACTOR shall refer youth able to participate in the mainstream ILP classes to the DCFS ILP program.]

5.12 CONTRACTOR shall coordinate with the COUNTY Worker to provide discharge planning/post-planning living arrangements, when applicable [e.g., assisting youth to establish connections in the communities to which they will be going after placement to meet their counseling, educational, medical, spiritual, and transportation needs.]

5.13 CONTRACTOR shall facilitate childcare network/support system (for youths with children) to enable youth to participate in employment or ILP experiences.

5.14 CONTRACTOR shall arrange transportation to all emancipation readiness activities, job, and school, when applicable.

5.15 CONTRACTOR shall provide emancipation training for the staff that is compatible with COUNTY policy.

5.16 [CONTRACTOR shall assist youth in opening emancipation saving accounts in addition to any other savings accounts.]

6.0 MEDICAL, DENTAL AND PSYCHIATRIC CARE

CONTRACTOR shall meet the medical needs of the placed child in accordance with the Child Health Disability Prevention Program, Medi-Cal program and the following regulations: Sections 80075, 84075, and 84175.1 of Title 22; Sections 1921(c)-(e), 1927(b)(5), 1927(d)(3), 1927(j)(3) and (5), 1928, 1929(d)(1), 1929(d)(2)(C) and 1929(d)(11) of Title 9; and Sections 5325(f)-(h) and 5325.2 of the Welfare and Institutions Code. CONTRACTOR shall be responsible to facilitate each placed child's receipt of necessary medical, dental and psychiatric care.

COUNTY shall provide CONTRACTOR with a Medi-Cal card for each eligible placed child except for Chapter 26.5 residents who may not be eligible for Medi-Cal.

6.1 Medi-Cal Card

CONTRACTOR shall control the use of the Medi-Cal card. CONTRACTOR shall immediately contact the Foster Care Hotline (1-800-697-4444) and notify COUNTY Worker if a placed child does not have a Medi-Cal card except for Chapter 26.5 residents who may not be eligible for Medi-Cal.

6.2 Reimbursement

6.2.1 CONTRACTOR shall comply with all applicable Medi-Cal regulations and requirements and exercise diligence in obtaining Medi-Cal authorization. CONTRACTOR shall bill the Medi-Cal program for all eligible medical, dental and psychiatric care costs, for children placed by COUNTY under this Agreement.

CONTRACTOR shall bill parent’s private medical insurance carrier for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.2.2 For any services not eligible for Medi-Cal reimbursement, CONTRACTOR shall, to the extent feasible, obtain medical, dental or psychiatric care services for the placed child through a COUNTY or COUNTY contract facility.

6.2.3 For any non-emergency services not eligible for Medi-Cal reimbursement and not obtainable at a COUNTY or COUNTY contract facility, CONTRACTOR must receive pre-approval from the COUNTY Worker prior to obtaining such services. If COUNTY Worker is not available, CONTRACTOR may contact COUNTY Worker's supervisor for pre-approval. For Probation, CONTRACTOR may contact the Central Placement supervisor.

CONTRACTOR shall obtain parental consent and insurance carrier authorization for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.3 Routine Medical Care

6.3.1 CONTRACTOR shall ensure that a Child Health Disability Prevention (CHDP) provider doctor or a doctor who does CHDP equivalent exams do the initial medical assessment, care, and follow through. Children under two years of age are to receive medical exams at one, two or three month intervals based on age per the CHDP Health Assessment Procedures Required for Various Age Groups. Children 2 – 17 years are to receive a medical exam annually within 30 days of the anniversary of placement at the facility.

The parent(s) is responsible for medical costs and for obtaining a pre-admission medical exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.3.2 CONTRACTOR shall employ an on-going system that monitors the immunization and routine health care status of all placed children and accurately reflects status in the medical record folder.

6.3.3 CONTRACTOR shall establish guidelines for isolating placed children with infectious illnesses within the facility.

6.3.4 To the extent reimbursed by Medi-Cal or otherwise reimbursed by COUNTY, CONTRACTOR shall ensure that placed youth receive a routine physical exam, any needed medical care, and information and instructions on any on-going medical treatment or medications needed within the three-month period prior to emancipation.

The parent(s) is responsible for medical costs and for obtaining a pre-discharge medical exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.4 Personal Hygiene Education

CONTRACTOR shall provide age-appropriate instructions in proper grooming and personal hygiene including, but not limited to, sex education and family planning.

6.5 Emergency Medical Care

CONTRACTOR shall have a plan for the provision of emergency medical treatment of a placed child. If a COUNTY facility or a COUNTY contracted facility is not available during regular business hours, the CONTRACTOR shall telephone the COUNTY Worker. If it is before or after regular business hours, CONTRACTOR shall call the Child Abuse Hotline (1-800-540-4000) for a DCFS placed child. CONTRACTOR shall examine all placed children daily for signs and symptoms of illness and ensure prompt follow-up for suspected health problems.

6.5.1 CONTRACTOR shall ensure that any placed child who appears to have a serious health condition is medically examined.

6.6 Routine Dental Care

CONTRACTOR shall meet the dental needs of the placed child in accordance with the CHDP Program, Medi-Cal program and CCL regulations. CONTRACTOR shall ensure that a CHDP provider/dentist or a dentist who does CHDP equivalent exams provides dental care and follow through. Children 3-17 years of age are to receive a dental exam annually within 30 days of the anniversary of placement at the facility.

The parent(s) is responsible for dental costs and for obtaining a pre-admission dental exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

To the extent reimbursed by Medi-Cal or otherwise reimbursed by COUNTY, CONTRACTOR shall ensure that placed youth receive a routine dental exam, any needed dental care, and information and instructions on any on-going dental treatment or medications needed within the three-month period prior to emancipation.

The parent(s) is responsible for dental costs and for obtaining a pre-discharge dental exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.7 Emergency Dental Care

CONTRACTOR shall have a plan for the provision of emergency dental treatment of a placed child.

6.8 Psychiatric Care

CONTRACTOR shall meet the psychiatric needs of the placed child in accordance with the CHDP Program, Medi-Cal program and Title 22, Title 9, and Welfare and Institutions Code regulations. CONTRACTOR shall ensure that psychiatric care is provided by a licensed provider or by a provider who is approved by DMH. Such provider must be eligible for Medi-Cal reimbursement.

6.8.1 CONTRACTOR shall ensure that any placed child in its care with a history of psychiatric problems (including hospitalizations) receive a clinical evaluation, provided that such evaluation is authorized by DMH, and submit the written results of such tests to the COUNTY Worker. COUNTY Worker will assist in facilitating a timely authorization from DMH.

6.8.2 CONTRACTOR shall be included in all COUNTY meetings regarding placed children in psychiatric hospitals, as required by DCFS Resource Utilization Management Section (RUM).

6.9 Psychiatric Hospitalization

6.9.1 CONTRACTOR shall have a plan for the provision of emergency psychiatric treatment of a placed child. CONTRACTOR shall always place a child in a COUNTY or Medi-Cal approved facility.

The parent(s) is responsible for the costs of psychiatric hospitalization for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.9.2 CONTRACTOR shall readmit any child referred by CONTRACTOR to, and admitted by a psychiatric hospital, after the placed child is discharged from the hospital. If CONTRACTOR determines that the child's readmission

jeopardizes the health and safety of that child or others in the facility or a mutual treatment decision is reached not to return the child to the facility, CONTRACTOR shall immediately notify the placed child's COUNTY Worker of the refusal to readmit. In addition, upon request of the COUNTY, a detailed, written explanation from CONTRACTOR's Executive Director, of such refusal, shall be provided to COUNTY Program Director within five (5) business days of the refusal.

CONTRACTOR shall not discharge a Chapter 26.5 resident without the agreement of an Individual Education Plan unless the parent(s) otherwise agrees.

6.10 Policy For Prescribed Psychotropic Medication

6.10.1 CONTRACTOR shall ensure that the prescribing physician submits a request and obtains court authorization for all placed children prescribed psychotropic medication, and that these orders are renewed every six (6) months in accordance with Administration of Psychotropic Medication to Children Supervised by DCFS. CONTRACTOR shall maintain copies of court authorizations in placed children's case records.

CONTRACTOR shall obtain parental consent for psychotropic medication for a Chapter 26.5 resident.

6.10.2 CONTRACTOR shall ensure that placed children receiving psychotropic medications have such prescriptions incorporated as part of their overall treatment plan.

6.10.3 CONTRACTOR shall not solicit/promote the use of psychotropic medications to suppress what is a placed child's normal reactive process to grief, separation and/or anxiety.

6.10.4 CONTRACTOR shall not routinely administer over-the-counter (non-prescription) medications that produce sedative effects in an effort to change behavior, promote sleep, or decrease nervous activity in the placed children.

6.11 Medications

6.11.1 CONTRACTOR shall record type, date and time of any medication, prescription and non-prescription, administered to the placed children.

6.11.2 Placed children on psychotropic medication shall have a psychiatric/psychological assessment that indicates the placed child's diagnosis, need for treatment, possible side effects and prognosis. CONTRACTOR shall provide for the placed child to receive monthly evaluation by the prescribing physician.

6.11.3 At the time of replacement CONTRACTOR shall entrust all the child’s medications and the Court authorization for the administration of psychotropic drugs, if applicable, to the responsible adult transporting the child who shall deliver them to the new caretaker immediately.

6.12 Medical Passport

COUNTY Worker will provide CONTRACTOR with the placed child's Medical and Educational Passport, or the equivalent, at the time of placement. CONTRACTOR shall maintain the placed child's Passport, or the equivalent, updating with relevant information regarding all medical needs identified and services provided, including doctor visits, testing, treatment and immunization. CONTRACTOR will provide the updated Passport, or the equivalent, to the COUNTY Worker at the time the placed child departs from the CONTRACTOR's program or provide Passport, or the equivalent, within three (3) days to COUNTY or COUNTY Worker if COUNTY Worker is not present at time of placed child's departure.

6.13 Linkages to Substance Abuse Programs

CONTRACTOR shall develop and/or maintain relationships with community drug rehabilitation programs for purposes of education, prevention and treatment for placed children in their care.

7.0 TRANSPORTATION

7.1 CONTRACTOR and COUNTY Worker shall mutually determine the transportation needs for the placed child to comply with the case plan/case plan update and shall incorporate transportation plans as part of the needs and services plan.

7.2 The CONTRACTOR shall provide licensed and insured vehicles in good repair for transporting placed children and maintain repair and maintenance records for such vehicles. In addition, it is the CONTRACTOR's responsibility to arrange transportation to activities including, but not limited to, school, Independent Living Program, teen clubs, place of child's employment, adoption-related events, visits with prospective adoptive families, job training, extra-curricular or recreational activities, therapy, medical/dental appointments, religious service of placed child's or family's preference, visits, etc. as agreed to by the CONTRACTOR in the needs and services plan. This can include teaching youth to take public transportation, arranging transportation with other care providers or outreach advisors, ILP coordinators, COUNTY Workers, etc.

8.0 INTAKE AND DISCHARGE

8.1 Child's Placement Needs

COUNTY shall review, discuss, and provide all available pertinent information and documentation pertaining to the needs of the placed child and his/her family with the CONTRACTOR. The information necessary to assess the needs of the placed child include, but are not limited to, the items identified in Division 6, Chapter 1, Section 80070(b) and Chapter 5, Sections 84070(b) and 84170(b) of Title 22 and a description of dangerous propensities of the placed child as outlined in Division 31, Section 31-405.1(1), of the California Department of Social Services, Manual of Policies and Procedures. COUNTY shall report to CONTRACTOR, any additional information related to dangerous propensities learned subsequent to placement.

Prior to admission, any child admitted to a CTF shall be certified as seriously emotionally disturbed as defined in Section 5699.2 of the Welfare and Institutions Code by a mental health professional and be determined to need the level of care provided by a CTF, as prescribed by Section 4096 of the Welfare and Institutions Code.

The CONTRACTOR shall complete and submit a DCFS 4389 (4/94), Declaration in Support of Access to Juvenile Records (WIC 827) order for the CSW to release this information in the form of a placement package about a specific placed child. The DPO can provide this information without a Declaration. DMH obtains parental consent to release information to the CONTRACTOR for a Chapter 26.5 resident.

8.2 CONTRACTOR's Ability to Meet the Child's Placement Needs.

8.2.1 CONTRACTOR shall accept all children who meet CONTRACTOR's Program Statement criteria. CONTRACTOR shall assess his/her ability to provide the required services, to meet the needs of the placed child and his/her family, based upon the intake information received from the placed child's COUNTY Designee.

8.2.2 Should CONTRACTOR determine that a referred child does not meet License and/or Program Statement criteria, CONTRACTOR shall immediately notify COUNTY Designee. Upon request of the COUNTY, a detailed, written explanation from CONTRACTOR's Executive Director, of such denial, shall be provided to COUNTY Program Director within five (5) business days of the denial.

8.2.3 CONTRACTOR shall have no fewer than 70% of its occupant beds filled with dependent foster care youth.

8.3 Pre-placement Visit

COUNTY Worker shall discuss with child and CONTRACTOR the child's placement needs, including the child's educational needs, and how the CONTRACTOR plans to meet these needs. A visit to the CONTRACTOR’s facility shall be arranged prior to the child’s placement whenever possible. In addition to sharing information about the program and available activities, the CONTRACTOR shall discuss with the child, child’s COUNTY Worker, and the parent(s) for a Chapter 26.5 child the demographics of children currently placed with the CONTRACTOR, including children’s ages, background, and placing agencies.

8.4 Referral Log

The CONTRACTOR shall maintain a log for five (5) years on all referrals, for which a placement packet is received, including referral date, child's name, placing agency, placing agency case number, as well as, reason referral was denied or date of placement. This is in compliance with Section 24.0, Nondiscrimination in Services, in the body of the Agreement.

8.5 Foster Care Hotline

COUNTY Worker shall provide a placement packet, including a Medi-Cal card for every child who is placed. If child is placed during regular business hours, without such packet, CONTRACTOR shall immediately notify the Foster Care Hotline at (800) 697-4444. If a child is placed after regular business hours, CONTRACTOR shall call the Foster Care Hotline at (800) 697-4444, the following business day, with the child's name and date of placement, so that a placement package may be obtained. COUNTY cannot pay for the placement until the placement packet is issued.

8.6 Case Conference Prior to Discharge

8.6.1. COUNTY and CONTRACTOR shall collaborate in discharge planning on any dependent foster care.

8.6.2. CONTRACTOR shall maintain on-going communication and request a case conference with the COUNTY Worker whenever the child's placement appears to be at risk and/or prior to discharge. Prior to initiating a request for a child's removal from its facility CONTRACTOR shall document contact with the RUM (Resource Utilization Management) Unit (for DCFS children) to discuss placement needs and alternatives. If CONTRACTOR determines that emergent removal of a child is necessary, based on considerations related to health and safety of the child or others in the facility, CONTRACTOR shall, upon request of the COUNTY, submit a detailed, written explanation from CONTRACTOR'S Executive Director, of such discharge, to COUNTY Program Director within five (5) business days of the rejection.

8.6.2 An IEP meeting with the parent(s), DMH, and the local education agency responsible for the student shall be

convened as soon as possible to discuss alternative placement options for a Chapter 26.5 resident.

9.0 CHILDREN'S RECORDS

9.1 Placed Child's Permanent File

In addition to the requirements outlined in Division 6, Chapter 1, Section 80070 and Chapter 5, sections 84070, 84070.1, and 84170 of Title 22 and Sections 1927, 1929(d)(2)(B), 1932(c), 1936, 1937(b), and 1938(b)(1) of Title 9, CONTRACTOR shall maintain a record of telephone contacts and copies of all reports in the placed child's permanent file. Progress notes with sufficient detail so as to permit an evaluation of services and other relevant information which the CONTRACTOR deems fit shall also be included. This information shall be confidential and made available only to selected staff who require it for case planning.

9.2 Placed Child's Medical and Educational Passport

CONTRACTOR shall maintain placed child's Medical and Educational Passport, or the equivalent, as described in Sections 4.5 and 6.12 of this Statement of Work.

10.0 NEEDS AND SERVICES PLAN

10.1 CONTRACTOR shall develop in conjunction with COUNTY Worker, CONTRACTOR's social worker, placed child, parent, and guardian a comprehensive, individualized needs and services plan that meets the overall goal and objective of the case plan, treats the identified needs of the child, and is specific, measurable, attainable, and time-limited. This needs and services plan shall meet the requirements specified in Division 6, Chapter 5, Sections 84070, 84070.1, 84068.2(a), 84068.2(d), 84069.2, 84170, 84168.3, and 84168.4 of Title 22. The DCFS 709 is intended to be used in the development of the needs and services plan but it not intended to be the plan itself.

The needs and services plan outline is derived from the Division 6, Chapter 5, Sections 84068.2(b-c), 84068.3(a), 84168.3(e), and 84168.4(b) of Title 22 and Section 1927(e) of Title 9, and shall include the following [*additional COUNTY requirements in brackets*]:

10.1.1 Reason for placement. [Include description of circumstances that resulted in the child becoming a Ward/Dependent of the court.]

10.1.2 Education. If the information specified in Section 84070(b)(4) is not available, the plan shall specify a method for determining such needs. [Include health and education information that includes immunizations, medical problems, medications, academic needs, school records, and type of school.]

10.1.3 Training. [Include a description of services that will assist a child 14 years old or older with the transition to independent living.]

10.1.4 Personal care and grooming.

10.1.5 Ability to manage his/her own money, including the maximum amount of money the child shall be permitted to have in her/her possession at any one time.

10.1.6 Visitation, including the frequency of and any other limitation on visits to the family residence and other visits inside and outside the facility.

10.1.7 Other specific services, including necessary services to the child's parent(s) or guardian(s).

10.1.8 Types of services necessary.

10.1.9 The facility's ability to provide the necessary services based upon the following information provided in the plan of operation: (A) The facility's purposes, program methods, and goals. (B) The facility's admission policies and procedures. (C) Services to be provided by the facility in cooperation with community resources.

10.1.10 Planned length of placement, including the discharge plan specified in Section 84068.4(b). [Include projected date of completion of case plan objectives and termination of services.]

10.1.11 Financial arrangements for provision of services to the child.

10.1.12 Each child residing within a CTF shall have an needs and services plan completed by a licensed mental health

professional within fifteen (15) calendar days of admission which shall include: (1) Identified specific behavioral goals and specific actions to be undertaken by facility staff to assist the child in accomplishing these goals within a defined period of time through appropriate behavioral interventions and treatment modalities which shall include but not be limited to a determination of expected duration of each use of secure containment. (2) Discharge goals that are general indicators of a child's readiness for transition to alternative treatment settings. (3) Participation of the child, and, when appropriate, parent, conservator or person identified by the court to manage the child's placement in the development or modification of the NSP. (4) A review at least every thirty (30) calendar days. [Include assessment of child's needs, an evaluation of prior treatment services for the child, and specific time-limited treatment goals and services. Specify the responsibility and participation of child, parent, social worker, COUNTY Worker, and guardian to implement the needs and services plan.]

10.1.13 The needs and services plan specified in Section 84168.3 shall be updated at least every 30 days to determine the following: (1) The child's need for continuing services. (2) The types and intensity of services provided to the child including the use of secure containment and the impact of these services upon treatment goals, changes in or continuation of treatment plan objectives. (3) The progress of the child toward his or her discharge goals.

10.2 COUNTY Worker will provide to CONTRACTOR all information available concerning children in placement and assist CONTRACTOR to obtain all necessary information.

10.3 CONTRACTOR, with COUNTY Worker support, shall encourage family involvement in meetings, conferences, parent education, parent therapy, visitation, etc. as agreed upon in the needs and services plan incorporating Court-imposed requirements or limitations.

11.0 PSYCHOSOCIAL SUPPORT/PSYCHOLOGICAL CARE

11.1 Develop Values

CONTRACTOR shall provide opportunities to teach placed children the difference between right and wrong, self-control, compassion, morals, integrity, patience, respect, responsibility, etc., to develop social consciousness and cultural awareness.

11.2 Encourage Positive Peer and Community Interaction

CONTRACTOR shall encourage positive peer interaction activities, as well as, group and individual activities in the community. The CONTRACTOR shall utilize community resources such as parks, libraries, YMCA/YWCA, boys and girls clubs, community recreation centers, churches, etc.

11.3 Age-appropriate Therapeutic Approaches

CONTRACTOR shall ensure that age-appropriate therapeutic approaches are used by the staff to enhance the placed child's adaptation to his/her circumstances and promote developmental progress. CONTRACTOR shall work with COUNTY Support Agencies to implement and incorporate recommendations made by psychologist/psychiatrist in the needs and services plan.

12.0 QUALITY OF LIFE

12.1 Self Esteem

As part of the needs and services plan, planned activities schedule, and independent living plan, CONTRACTOR shall provide opportunities to encourage the development of the placed child's self esteem and cultural awareness.

12.2 Setting Goals and Objectives

CONTRACTOR agrees to provide opportunities to teach the placed child how to set short-term and long-term goals and objectives appropriate to the developmental level of the child. CONTRACTOR shall discuss possible short-term and long-term goals and objectives with the placed child as relates to his/her needs and services plan, career plans, strengths and interests and educational possibilities to prepare youth for emancipation and adulthood.

13.0 LEGAL PERMANENCY

CONTRACTOR shall facilitate the implementation of any plan determined by the COUNTY for a placed child under CONTRACTOR's care. CONTRACTOR shall facilitate a placed child's visitation with prospective foster or adoptive parents as requested by the COUNTY.

13.1 Reunification

CONTRACTOR shall assist COUNTY in reunification efforts by assessing likelihood of placed child returning home and facilitating visitation with family and other reunification services.

13.2 Adoptive Home

If the placed child cannot return home, CONTRACTOR shall facilitate placed child's involvement in adoption-related activities and placed child's visits with prospective adoptive families.

13.3 Assessing Strengths and Special Needs

CONTRACTOR shall participate with the COUNTY Worker and/or Adoptions Worker to assess the strengths and special needs of a placed child to assist in locating an appropriate adoptive home.

13.4 Counseling and Support

CONTRACTOR shall provide counseling and support for the placed child, as part of the CTF program, in making decisions related to adoption and in making transitions to legally permanent placements or returning home.

13.5 Adoption Assistance Program

COUNTY shall provide information and CONTRACTOR shall be fully informed about the Adoption Assistance Program and the differences between legal guardianship, adoption and foster care.

14.0 WRITTEN REPORTS

14.1 Written Reports

CONTRACTOR shall prepare and submit to placed child's COUNTY Worker copies of the Admission Assessment, the Needs and Services Plan, the monthly Updates to the Needs and Services Plan, Quarterly Reports, and the Discharge Report in accordance

with Sections 1927 and 1938 of Title 9 and the criteria noted below and retain a copy for the Child's Record Folder.

14.2 Quarterly Report [additional COUNTY requirements in brackets]

CONTRACTOR shall prepare and submit a signed Quarterly Report to each placed child's COUNTY Worker by the 10th business day following the end of each quarter from the date the child was placed. CONTRACTOR may combine the Quarterly Report with an Update of the Needs and Services Plan if the combined report contains all the information required for both reports.

14.2.1 The Quarterly Report shall include the following items [additional COUNTY requirements]:

14.2.1.1 Current status of child's physical and psychological health. [Include the date of each medical/dental appointment, diagnosis, recommended treatment, follow-up and medication the child received during the quarter. Include health and safety related services provided to the child, specifying the dates of service(s) for each occurrence.]

14.2.1.2 Reassessment of child's adjustment to the community treatment facility, program, peers, school, and staff. [Include copy of school report card(s), school attendance, and Individualized Education Plan (IEP) when applicable. Specify the type of school (i.e., public, private, non-public, on-grounds, community-based, etc.) and educational program provided.]

14.2.1.3 Progress toward short-term objectives and long-range goals including tasks that have been performed to reach these objectives and goals. [Include status of TILP plan, when applicable, including homemaking skills, status of vocational training and/or job experience, artistic abilities, etc. Include a copy of the updated Emancipation Preparation Contract for each placed youth age 14 years and older.]

14.2.1.4 Reassessment of unmet needs and efforts made to meet these needs.

14.2.1.5 Modification of treatment plan, tasks to be performed and anticipated length of placement. [Include transition to a lower level of care or transition to other services as an adult.]

14.2.1.6 Involvement of child and his parent in treatment program. [Include dates and type of contact with the COUNTY Worker during the quarter including telephone calls.]

14.3 Unusual Occurrences

CONTRACTOR shall provide a copy of the written report of all unusual occurrences or special incidents to the appropriate representative of the agency of primary responsibility (CSW, DMH Case Manager, or an appropriate agency liaison) within 48 hours of the incident in accordance with the requirements for Reporting of Unusual Occurrences and Special Incidents. In addition to current legislation, unusual occurrences and special incidents shall include, but not be limited to:

14.3.1 Any invasive medical procedures other than routine examinations or inoculations.

14.3.2 Any injury requiring treatment by a medical practitioner.

14.3.3 Any consenting or non-consenting sexual intercourse.

14.3.4 Any incident which causes a suspected child abuse report to be made to DCFS.

14.3.5 Any contact with law enforcement

14.3.6 Any absence from placement or secured setting without permission (AWOL) for over twenty-four hours.

14.4 Discharge Report

CONTRACTOR shall prepare and submit a Discharge Report to each child's COUNTY Worker within 14 calendar days from the date the child's placement was terminated.

14.4.1 Discharge Report shall include a closing summary of the CONTRACTOR's records relating to the placed child as required by Section 1927(j) of Title 9.

15.0 ORAL REPORTS/TELEPHONE CONTACT

CONTRACTOR shall report to appropriate COUNTY staff immediately or by no later than the next workday in accordance with the criteria in Section 14.3 above.

16.0 RESIDENT CARE DAYS

16.1 Attendance Record

CONTRACTOR shall maintain attendance data on all placements. Attendance data shall include but not be limited to:

16.1.1 Statistics on the total number of resident care days of service provided for the month shall be available for review. The placed child's arrival date is counted as the first resident care day. The day of the placed child's departure is not counted as a resident care day. If a space is "held open" for a placed child on pass or AWOL at the COUNTY Worker's request in accordance with Section 8.0, Payment, Sub-section 8.5, in the body of the Agreement, this child shall be included in the number of resident care days of service provided.

16.1.2 Status of all placements for each day of the month (i.e., present, on pass, AWOL, etc.) shall be available for review. If a space is "held open" for a placed child on pass or AWOL at the COUNTY Worker's request, this child shall be included in the number of resident care days in Subsection 16.1.1.

16.1.3 Placement and termination notices shall be available for review.

16.1.4 A master list of all placements including each child's name, Placing Agency, contact person from Placing Agency for the child, schools attended, phone number for contact person, date of placement and date and reason placement was terminated shall be maintained.

17.0 VISITATION PLAN

COUNTY Worker and CONTRACTOR shall develop the visitation plan for the placed child's family and friends, taking into consideration any recommendations from the placed child's attorney and Court Appointed Special Advocate (CASA).

18.0 PLACEMENT AND ORIENTATION

18.1 Orientation

CONTRACTOR shall provide each placed child, in an age-appropriate manner, a comprehensive overview of the CTF's program, inform him/her of his/her personal rights per Section 84172 of Title 22, and provide copies of the child's due process rights, the patient's rights handbook, and the CONTRACTOR's policies and procedures regarding physical restraint and seclusion per Sections 1938 of Title 9. Such overview will include, but not be limited to, opportunities for achievement, vocational and job training, life-skills training, recreation, educational choices, and religious, spiritual, or ethical development in the faith of the placed child's choice, identification of placed child's staff support person, placed child's clothing and weekly allowance, House Rules including discharge, Discipline Practices, Grievance/Complaint Procedures, school attendance requirements including school dress code, academic expectations, use of level systems, and discharge as described in CONTRACTOR's Program Statement, Exhibit B.

18.2 Orientation Verification

Upon completion of the orientation with the placed child, the CONTRACTOR shall have the placed child acknowledge such orientation in writing.

19.0 ALLOWANCE AND BANK ACCOUNTS

CONTRACTOR shall abide by the requirements outlined in Division 6, Chapter 1, Section 80026 and Chapter 5, Section 84026 of Title 22.

CONTRACTOR shall not require a placed child to use his/her allowance to purchase items that CONTRACTOR is responsible to provide. CONTRACTOR shall not use a placed child's base allowance as a disciplinary measure. CONTRACTOR shall not substitute monetary allowances with non-monetary items, such as, tokens and points or clothing, food and other items that CONTRACTOR is responsible for providing. If a placed child is unable to handle money, CONTRACTOR shall provide the placed child with instruction on how to handle money and place the placed child's money in a savings account until the placed child is able to handle his/her money independently. ILP incentive is considered "income" to the placed child and shall not be withheld from the placed child by CONTRACTOR.

19.1 Amount

The CONTRACTOR shall provide a base allowance appropriate to age and reasonably commensurate with peer group standards and services as prescribed in CONTRACTOR's Program Statement. The base allowance shall not be less than the following amounts: $3.00 (5-8 years); $5.00 (9-13 years); $7.00 (14-17 years) per week, starting with the first full week of placement. Allowances may be increased beyond this base amount according to a point/levels/rewards behavioral control system.

19.2 Savings

The CONTRACTOR may encourage the placed child to save for a particular purchase that is not provided by the CONTRACTOR or to accumulate a savings account. However, beyond supervision of spending for appropriateness for age, safety and health, CONTRACTOR shall permit placed child to spend his/her allowance, as the placed child desires.

19.3 Earnings

The placed child's earnings may be applied toward special clothing items, tools and other personal property above the basic services contracted for herein. Court ordered restitution can be withheld from the earnings of a ward of the Juvenile Court only. CONTRACTOR shall encourage placed youth age fourteen (14) and older to save their earnings for emancipation.

The CONTRACTOR shall work with the COUNTY Worker and placed child to mutually agree on the method of securing and use of the placed child's earned income including opening a bank account if appropriate.

20.0 CHORES

20.1 Routine Chores

The CONTRACTOR shall indicate in Exhibit B - CONTRACTOR's Program Statement, which chores a placed child will be required to do as part of their regular responsibilities. CONTRACTOR shall appropriately supervise placed children while they are doing chores.

20.2 Optional Chores

The CONTRACTOR shall indicate in Exhibit B - CONTRACTOR's Program Statement which chores a placed child may do on a voluntary basis for compensation, usually as part of an incentive/behavior modification program. CONTRACTOR shall appropriately supervise placed children while they are doing chores.

20.3 Optional Chore Log

The CONTRACTOR shall comply with Exhibit B - CONTRACTOR's Program Statement description of routine chores or which chores are optional or for compensation. In addition, the CONTRACTOR shall maintain an optional chore log indicating the placed child, date, chore(s), hours worked and compensation.

21.0 FOOD

CONTRACTOR shall provide meal service, snacks, and a balanced diet as defined in Division 6, Chapter 1, Section 80076 and Chapter 5, Section 84076 of Title 22 regulations.

Placed children shall participate in menu planning. CONTRACTOR shall make additional servings available at meal times. CONTRACTOR shall inform COUNTY Worker when special dietary needs arise due to medical problems/conditions.

22.0 CLOTHING

Clothing shall fit and shall not be too small or more than two sizes larger than actual measurements. The clothing shall be clean, in good repair and appropriate for the intended use and season, including the school dress code. In no event shall CONTRACTOR provide other than new undergarments or shoes for each placed child. The CONTRACTOR shall include in the program statement a plan acceptable to the COUNTY that regularly involves the placed child in the selection and purchase of his/her own clothing and meets the minimum monthly clothing allowance and the on-hand clothing amount as specified in DCFS 2281.

The clothing is the property of the placed child and shall be retained by the placed child or his/her representative upon termination of placement.

CONTRACTOR shall provide for laundry, dry cleaning and mending of clothing in accordance with CONTRACTOR's Program Statement.

The parent(s) is responsible for the clothing supply and clothing maintenance of a Chapter 26.5 resident.

22.1 Standard for Clothing

The standards for clothing for placed children are indicated in DCFS form number 2281.

22.2 Clothing at Placement

When a child is placed in CONTRACTOR's facility, COUNTY will ensure that the child has at least 4 outfits as defined in DCFS 2281. COUNTY will provide to CONTRACTOR up to the maximum clothing allowance for each placed child who has less than 4 outfits at the time of placement.

22.3 Meeting Full Clothing Standard

The CONTRACTOR shall ensure that each placed child has 7 outfits within 30 days of initial placement, 10 outfits within 60 days of initial placement, and 12 outfits within 120 days of initial placement as defined in the DCFS 2281 Clothing Standard.

22.4 Children's Funds for Clothing

The CONTRACTOR shall provide each placed child with clothing without requiring the placed child to purchase clothing with his/her own funds. Notwithstanding limitations of Sections B.19.0, Allowance and Bank Accounts, B.22.0, Clothing, and B.23.0, Personal Needs, of this Statement of Work, when an expensive item(s) is desired that is not within the CONTRACTOR's budget allocation for the provision of sufficient clothing, the placed child may volunteer to supplement the budget to purchase the desired item(s).

22.5 CONTRACTOR's Ongoing Clothing Allocation

The CONTRACTOR shall include in their program statement a plan acceptable to the COUNTY to provide a regular monthly clothing allocation, in the amount of at least $50, from the AFDC-FC payment to be spent on clothing.

After reaching the Clothing Standard, the $50 can be spent on clothing and/or accessories.

After reaching the Clothing Standard, the placed child may decide to carry over one month's clothing allowance for use in the following

month, which provides a banked maximum of $100.00 for additional clothing of the child’s choice.

22.6 CONTRACTOR's Ongoing Clothing Inventory

CONTRACTOR shall maintain both a written inventory of each placed child's clothing and clothing receipts with description of item(s) purchased for each placed child written on each receipt. CONTRACTOR shall update clothing inventories whenever clothing items are added from any source or removed for any reason from the placed child’s clothing supply.

22.7 Storage/Security of Clothing During Placement

The CONTRACTOR shall provide for the storage and security of each placed child's clothing during the entire term of placement. CONTRACTOR may label placed child's clothing for identification purposes.

CONTRACTOR shall provide a lock or other secure means to protect the placed child's clothing and other personal property. CONTRACTOR shall retain a duplicate key to access the storage area as needed.

Notwithstanding the provisions of this Section, it is understood that clothing often disappears, particularly during home visits, and that clothing security is not entirely within CONTRACTOR's control. All losses will be documented as part of the clothing inventory, including a brief description of the circumstances involved and action taken by the CONTRACTOR, which will be taken into consideration during audits. Repeated instances of clothing loss should be reported to the COUNTY Worker.

22.8 Storage/Security of Clothing/Personal Belongings Upon Termination of Placement

Within one (1) day of the placed child's departure, the CONTRACTOR shall collect, inventory, secure and store for up to 21 calendar days the clothing of a child who, for any reason, has left the CONTRACTOR's program.

CONTRACTOR agrees to maintain adequate procedures to prevent loss, theft, and/or unauthorized removal of a placed child's clothing. CONTRACTOR shall be responsible for replacing any preventable losses.

After 21 days, CONTRACTOR shall contact COUNTY Worker to determine if clothing is to be mailed to the COUNTY at COUNTY's expense (or to the parent(s) at the parent's expense of a Chapter 26.5 child).

22.9 Special Clothing Needs

CONTRACTOR shall plan with the placed child and arrange for the purchase of school uniforms, when appropriate, sports clothing, sports equipment, special occasion clothing, and other necessary items for dances, proms, and graduation.

23.0 PERSONAL NEEDS

Personal care/hygiene items shall be provided with consideration given to specific cultural and ethnic needs.

23.1 Personal Care Items

The CONTRACTOR shall provide each child with his/her own new toothbrush, comb, deodorant and other personal hygiene items, and cover the cost of purchasing specific brands for health reasons as deemed necessary. The CONTRACTOR shall also provide toothpaste, soap, shampoo, hair care items, etc. for health, grooming and personal hygiene and replacement of combs, toothbrushes (as recommended by dentist), deodorant, etc., as needed.

CONTRACTOR shall offer placed children full choice among brands, as long as cost is reasonable.

CONTRACTOR shall not purchase or allow products in aerosol or glass containers.

23.2 Linens

The CONTRACTOR shall provide sufficient clean towels, face cloths, and sheets on at least a weekly basis. CONTRACTOR shall provide clean and serviceable blankets, bedspreads and window treatment(s) on at least a quarterly basis.

CONTRACTOR shall immediately replace worn, torn or frayed towels, sheets, blankets, bedspreads, and window treatment(s).

24.0 SUPERVISION

24.1 CONTRACTOR shall comply with staff-to-child ratios as defined in Division 6, Chapter 5, Sections 84165.5-84165.6 of Title 22 and CONTRACTOR's program statement to provide the staff necessary to meet each placed child's needs and to provide supervision. As stated in Section 84065.5(c), "If the children require special care and supervision because of age, problem behavior or other factors, the number of on-duty child care staff shall be increased to meet the needs of the children in accordance with Section 80065(a)."

24.2 Know Child's Whereabouts and Responsible Staff

CONTRACTOR and CONTRACTOR's staff shall know the whereabouts of placed children according to resident log and be able to identify who is responsible for supervision. Placed children may leave the facility, unaccompanied for specific purposes, in accordance with case plan which has been pre-approved by COUNTY and as long as approved by CONTRACTOR or designee and documented in the log.

24.3 Resident Sign-in/Sign-out Log

CONTRACTOR shall maintain a sign-in/sign-out log for placed children who leave the facility for any reason other than regularly scheduled work, school, or group activities of the CONTRACTOR. This log shall include the name of the child, his/her destination, the time he/she left the facility, the anticipated time of return, and the name and telephone number of the person who is responsible to supervise the resident while he/she is away from the facility (unless the COUNTY Worker has authorized unsupervised passes).

25.0 STAFFING

CONTRACTOR agrees to provide appropriate staffing for program level in compliance with CDSS Rate Classification Level (RCL), CCL regulations, and the CONTRACTOR's program statement. CONTRACTOR agrees to provide COUNTY access to all related records available to CCL.

26.0 HOUSING AND LIVING ENVIRONMENT

26.1 In addition to the requirements of Division 6, Chapter 1, Sections 80087-80088 and Chapter 5, Sections 84087-84088 and 84187-84188 of Title 22, CONTRACTOR shall provide all placed children with a safe, well-maintained, appropriately furnished and decorated,

home-like environment. All furniture and appliances shall be well maintained and in good working condition.

26.2 CONTRACTOR shall allow each placed child to personalize his/her bedroom.

27.0 HEALTH AND SAFETY

CONTRACTOR shall comply with Division 6, Chapter 1, Articles 7-8 and Chapter 5, Article 7 of Title 22 regarding physical environment and health related services.

CONTRACTOR shall uphold a "No Smoking" policy within the facility. Under no circumstances shall placed children under 18 years of age be permitted to smoke. Visitors and staff shall not smoke inside of CONTRACTOR's facility(ies).

EXHIBIT B

CONTRACTOR'S CTF PROGRAM STATEMENT

Exhibit B, Contractor's CTF Program Statement is not attached hereto, but is on file with DCFS Group Home Resource Development and Support and DCFS Contract Management Services.

This exhibit is incorporated by reference in full as though fully set forth herein.

EXHIBIT C

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

GENERAL INFORMATION

Your employer, _____, has entered into a contract with the County of Los Angeles to provide various services to the County. Therefore, your signature is required on this employee acknowledgment and confidentiality agreement.

EMPLOYEE ACKNOWLEDGMENT

I understand that _____, is my sole employer for purposes of this employment.

I rely exclusively upon _____, for payment of salary and any and all other benefits payable to me or on my behalf during the period of this employment.

I understand and agree that I am not an employee of Los Angeles County for any purposes and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles during the period of this employment.

I understand and agree that I do not have and will not acquire any rights or benefits pursuant to any agreement between my employer, _____ and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT

As an employee of _____, you may be involved with work pertaining to County services and if so, you may have access to confidential data pertaining to persons and/or other entities who receive services from the County of Los Angeles. The County of Los Angeles has a legal obligation to protect all confidential data, especially data concerning welfare recipient records. If you are to be involved in County work, the County must ensure that you, too, will protect the confidentiality of all data. Consequently, you must sign this confidentiality agreement as a condition of your work to be provided to the County. Please read the agreement and take due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person data obtained while performing work pursuant to the contract between _____ and the County of Los Angeles.

I agree to forward all requests for the release of information received by me to my immediate supervisor.

I agree to report any and all violations of the above by any other person and/or by myself to my immediate supervisor and I agree to ensure that said supervisor reports such violation to the County of Los Angeles Department of Children and Family Services.

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

Employee's Signature: _____ Date:_____

Employee'sPrintedPosition/Title:_____

EXHIBIT C

CONTRACTOR's NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

_____
CONTRACTOR NAME

Contract No. _____

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 Contractor Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

NON-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.

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 contract.

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, too, 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.

Initials of Signer _____

EXHIBIT C

Contractor Name _____ Contract No._____

Non-Employee Name _____

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 me to 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, I shall keep such information confidential.

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, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Attachment D, attached hereto and incorporated herein by reference.

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: _____

EXHIBIT D

COUNTY FISCAL AUDIT PHASES, FISCAL AUDITS OF COMMUNITY TREATMENT FACILITY CONTRACTORS AND AUDITOR-CONTROLLER COMMUNITY TREATMENT FACILITY CONTRACT ACCOUNTING AND OPERATING HANDBOOK

EXHIBIT D

COUNTY FISCAL AUDIT PHASES, FISCAL AUDITS OF COMMUNITY TREATMENT FACILITY CONTRACTORS

ev 9-6-05

I. Overview

To minimize delays and to increase understanding of the fiscal auditing process by COUNTY and the Community Treatment Facility Contractor (referred to herein as CONTRACTOR), the following is a description of the fiscal audit protocols followed by the Auditor-Controller (A-C), the Department of Children and Family Services (DCFS), and the Department of Mental Health (DMH), herein referred to as COUNTY, unless referred to separately, during fiscal audit reviews. All specified timeframes are estimated, and actual timeframes may differ depending on COUNTY staffing, workload, and coordination of scheduling with each CONTRACTOR. The period(s) to be audited shall be consistent with the Contractor's accounting year-end.

II. Purpose of Fiscal Audit Review

The purpose of the fiscal audit review will be to determine whether, pursuant to the Agreement, Community Treatment Facility monies are appropriately accounted for and Expended on reasonable and allowable Expenditures in providing the necessary care and services for children placed by COUNTY and served by CONTRACTOR. A-C staff also evaluates the adequacy of CONTRACTOR's accounting records, internal controls, and compliance with the Agreement and applicable federal and State regulations governing the disbursement of foster care funds.

III. Applicable Regulations

We refer to the following guidelines and regulations in conducting our fiscal audits:

County Community Treatment Facility Agreement, including Exhibit D, Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook

Federal Office of Management and Budget Circular A-122, Cost Principles for Non-Profit Organizations

California Department of Social Services Manual of Policies and Procedures

California Code of Regulations, Title 22

IV. Notification of Review

A-C staff will contact CONTRACTOR's representatives to notify them of the fiscal audit review and to arrange for an entrance conference. Absent extenuating circumstances, the entrance conference is to be held within 15 calendar days of this initial notification or at a mutually agreeable time. A letter will be sent to

CONTRACTOR confirming the scheduled entrance conference date, time and location, and applicable documents that need to be available for review. COUNTY will be sent a copy of the confirmation letter.

V. Entrance Conference

Prior to the entrance conference, A-C staff will have reviewed the CONTRACTOR's Program Statement and Agreement to become familiar with the program and to identify questions or issues to be addressed or clarified during the entrance conference.

The entrance conference permits the CONTRACTOR and the A-C staff to discuss the scope of the review. A-C staff will introduce themselves, give a brief summary of the review objectives, discuss CONTRACTOR operating hours, work space, and CONTRACTOR's fiscal audit contact person, and perform an inventory of the CONTRACTOR's records requested in the confirmation letter. CONTRACTOR should ensure appropriate fiscal personnel are in attendance to answer any questions and discuss any concerns and problems encountered with CONTRACTOR records.

VI. Preliminary

The preliminary work will start after the entrance conference. This phase is an educational process for A-C staff. All requested documentation must be made available to the A-C Staff, including but not limited to, employee records, children's case files containing clothing and food receipts, and those records identified in Section 11.0, Records and Audits-Financial, Section 12.0, Records and Audits-Other, and Section 13.0, Contract Compliance and Program Investigations , of the Agreement.

Preliminary work will consist of becoming familiar with CONTRACTOR's accounting system and financial and accounting records, and evaluating its system of internal controls. From this work, A-C staff will determine how the records will be tested and the extent of detailed testwork that will be performed in each area (i.e., billings, salaries, non-personnel expenditures, etc.).

It is important for CONTRACTOR to have its financial and accounting records available or prepare final schedules detailing all financial activities of CONTRACTOR for the fiscal audit review period. This will expedite the review and provide A-C staff with the population of transactions subject to review.

VII. Detailed Field Work

The detailed fieldwork is an extension of the preliminary work and involves a more in-depth review of accounting and financial records, documents and transactions. A-C staff will be requesting information from CONTRACTOR in the various areas under review. The duration of detailed fieldwork varies and may

take from a few weeks to several months to complete, depending on CONTRACTOR availability, condition of, and availability of the account records, and other variables.

Preliminary findings will be verbally discussed with CONTRACTOR during this stage of the review.

VIII. Summary of Preliminary Results

Upon completion of the fieldwork, CONTRACTOR will be provided a summary of the preliminary results to allow the CONTRACTOR to comment, and ensure all relevant documentation has been obtained. Absent extenuating circumstances, a due date of no less than ten (10) business days, from the date CONTRACTOR is provided a summary of preliminary results, will be set by the A-C staff for CONTRACTOR to present additional documentation in response to the summary of preliminary results. Documentation provided after the due date may not be reflected in the draft fiscal audit report and/or may delay completion of the fiscal audit process.

IX. Preliminary Draft Fiscal Audit Report/Pre-exit Meeting

Within 30 calendar days of the due date for receipt of additional information from CONTRACTOR, A-C staff will issue to CONTRACTOR a preliminary draft fiscal audit report, which contains preliminary draft findings and recommendations. The preliminary draft fiscal audit report will be faxed/mailed to the CONTRACTOR's Executive Director. A copy of the preliminary draft fiscal audit report will be provided to COUNTY.

After receipt of the preliminary draft fiscal audit report, CONTRACTOR may request a pre-exit meeting with COUNTY staff to discuss the preliminary draft fiscal audit report. If CONTRACTOR desires a pre-exit meeting, CONTRACTOR must submit its request in writing to the A-C either by letter, or via electronic mail, within 15 calendar days following receipt of the preliminary draft fiscal audit report. If CONTRACTOR does not request a pre-exit meeting in writing within the allowable time period, CONTRACTOR will be deemed to have waived the right to a pre-exit meeting.

If CONTRACTOR and COUNTY <u>hold</u> a pre-exit meeting:

*The pre-exit meeting will be held in person or if mutually agreed upon, by telephone, and participants will include the A-C, DCFS, Probation, DMH, and CONTRACTOR's staff/management and non-legal representatives who are knowledgeable of the events in relation to the preliminary draft fiscal audit report being discussed.

At the pre-exit meeting, CONTRACTOR may provide additional documentation related to the findings and recommendations included in the preliminary draft

fiscal audit report. After the pre-exit meeting, COUNTY staff will review the documentation and determine its effect, if any, on the findings and recommendations. COUNTY staff will revise the preliminary draft fiscal audit report, as COUNTY determine appropriate. The preliminary draft fiscal audit report updated for any revisions deemed appropriate by the COUNTY will herein be referred to as the exit draft fiscal audit report.

NOTE: In general, COUNTY will not review any additional documentation, which CONTRACTOR provides, related to the findings and recommendations in the preliminary draft fiscal audit report, at any time subsequent to the pre-exit meeting. However, in the event extenuating circumstances exist, COUNTY may at their sole discretion, consider additional documentation submitted subsequent to the pre-exit meeting. CONTRACTOR should therefore be sure to provide all information, which it deems relevant at the pre-exit meeting to ensure that it is taken into consideration.

If CONTRACTOR and COUNTY do not hold a pre-exit meeting:

A-C, COUNTY will not review any additional documentation, which CONTRACTOR provides, related to the findings and recommendations in the preliminary draft fiscal audit report.

A-C and COUNTY staff will issue the exit draft fiscal audit report (see Section X Issuance of Exit Draft Fiscal Audit Report).

X. Issuance of Exit Draft Fiscal Audit Report

An exit draft fiscal audit report will be prepared and sent to CONTRACTOR. CONTRACTOR will be asked to review the exit draft fiscal audit report and prepare for an exit conference, which will be scheduled within 15 calendar days of the date the exit draft fiscal audit report is received by CONTRACTOR. COUNTY will contact CONTRACTOR to schedule the exit conference.

XI. Exit Conference

The purpose of the exit conference is to discuss the exit draft fiscal audit report, and the findings and recommendations contained therein, as well as any proposed wording changes, which may be sought by CONTRACTOR.

COUNTY's role at the exit conference will be to answer questions regarding COUNTY policies, and clarify administrative procedures to be followed after the COUNTY issues the final report. COUNTY personnel will defer any discussion related to the resolution of specific findings and recommendations until the final report is officially released.

In consideration of the discussions at the exit conference, the COUNTY may, in their sole discretion, make revisions to the exit draft fiscal audit report. A-C/DCFS staff will notify CONTRACTOR via phone of any revisions to the exit draft fiscal audit report. The exit draft fiscal audit report, updated for any revisions deemed appropriate by the A-C and DCFS, will herein be referred to as the final draft fiscal audit report.

XII. CONTRACTOR Response to Final Report

Within thirty (30) calendar days of the date the final draft fiscal audit report is received by CONTRACTOR, CONTRACTOR shall submit a response to the findings and recommendations, via first-class mail, to the DCFS Fiscal Monitoring Section. The response should address each of the findings affecting CONTRACTOR's operations, including but not limited to compliance/internal control issues and identified questioned Expenditures, and indicate corrective actions planned or already taken. As to corrective actions planned, CONTRACTOR shall identify the dates that corrective action will be implemented and completed.

XIII. COUNTY Response to Final Report

DCFS, COUNTY (or another office/agency within Los Angeles County) will evaluate the adequacy of the CONTRACTOR's written response to the final draft fiscal audit report. Within 25 calendar days of COUNTY's receipt of CONTRACTOR's written response to the final draft fiscal audit report, DCFS will provide CONTRACTOR with COUNTY's written response, which sets forth the required COUNTY corrective action plan (CAP). Should Contractor disagree with the contents of the CAP, Contractor shall submit a response to the COUNTY CAP within 15 business days via first class mail to DCFS Fiscal Monitoring Section. COUNTY will review the Contractor's response to the COUNTY CAP and issue a final required COUNTY Corrective Action Plan within 5 calendar days . Should CONTRACTOR not comply with the Corrective Action Plan, COUNTY may, in their sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use status.

XIV. Final Report to the Board of Supervisors

The COUNTY will make every effort to issue the final report, with the Contractor's response attached, to the Board of Supervisors within 60 calendar days after the issuance date of the final draft fiscal audit report. CONTRACTOR will be provided with a copy of the final report at the same time as it is issued to the Board of Supervisors. The final report along with the Contractor's response and DCFS' /DMH's CAP will be posted on the A-C website and will be deemed a public record pursuant to the Public Records Act (Cal. Govt. Code section 6250, et seq.) It is the policy of the A-C to post final reports on the website within 24 hours of issuance.

XV. Establishment of a Repayment Plan

Within fifteen calendar days of the date of COUNTY's response to the Final Report, CONTRACTOR, shall schedule an appointment with DCFS Fiscal Monitoring staff /DMH to sign a repayment agreement for recovery of the questioned Expenditures identified in the Final Report. CONTRACTOR shall sign the repayment agreement no later than 30 calendar days after the date of COUNTY response to the Final Report. Should CONTRACTOR not comply with the repayment plan for questioned Expenditures, COUNTY may, in their sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use status.

EXHIBIT D

AUDITOR-CONTROLLER
COMMUNITY TREATMENT FACILITY AGREEMENT ACCOUNTING AND ADMINISTRATION HANDBOOK

The following handbook is designed for inclusion in Department of Children and Family Services Community Treatment Facility Agreements. The purpose of the handbook is to establish accounting, internal control, financial reporting, and Agreement administration standards for Community Treatment Facilities who contract with the COUNTY.

Revised :9/6/2005

EXHIBIT D

AUDITOR-CONTROLLER
COMMUNITY TREATMENT FACILITY CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

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 (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.

ACCOUNTING SYSTEM

2.0 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. The CONTRACTOR shall maintain a separate Cost Center(s), which clearly identifies AFDC-FC funds, received and expended for the care and services of placed children under this Agreement.

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 (IRS Publication 15A) 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, canceled checks and other documentation clearly establishing the nature of the Expenditure and its relevance to the COUNTY program being contracted for will be required to support an outlay of funds. (See Agreement, Section 10.3). 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. Documentation related to some of the most frequently encountered transactions consists of, but is not limited to the following:

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. Personnel records shall also be maintained documenting employee pay rates. Furthermore, personnel records shall contain documentation confirming that educational and practical experience requirements of an employee's position have been met. Where licensure is a requirement of an employee's position, CONTRACTOR's personnel file shall contain documentation confirming the validity of the employee's license.

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 beginning and ending odometer readings and the resulting mileage. Vehicle mileage logs must clearly identify business versus non-business, or personal travel. Travel related to conferences should include conference literature such as agendas and handouts 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.

Loans from Employees - Loans to the CONTRACTOR by employees shall be supported by a written loan agreement and records documenting that the lent funds were deposited into a CONTRACTOR bank account. To the extent that the loan agreement provides for the payment of interest, the interest will not be an allowable expense under the Agreement.

3.3 Payments to Affiliated Organizations or Persons

CONTRACTOR shall not make payments to affiliated organizations or persons (i.e., related party transactions) for program expenses (e.g., salaries, services, rent, etc.) that exceed the lesser 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 – vender 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 Agreement must be utilized on allowable Agreement Expenditures. Likewise, income from investments, where the source of the amount invested is COUNTY program funds, shall be deemed restricted revenue that must be utilized on allowable Expenditures under the attached Agreement.

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 Agreement 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). A recommended practice would be to retain photocopies of the COUNTY warrants reflected on each deposit slip, or record the individual warrant numbers onto the deposit slip.

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 and dated 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 Agreement.

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

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 Agreement, or the attachments thereto, including this Auditor-Controller Community Treatment Facility Agreement Accounting and Administration Handbook (Exhibit D), except as proscribed by state or federal law.

For purposes of establishing a reasonable level of compensation for CONTRACTORS personnel, COUNTY may refer to the Child Welfare League of America (CWLA) Salary Study, or other regionally recognized salary studies for non-profit social service agencies. Salary studies which are both regionally and nationally recognized are preferred.

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 Agreements or programs taken as a whole.

Salaried employees who work less than full-time (i.e., 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 $5,000 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 Agreement funds are to be used solely for the benefit of the Agreement 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

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

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

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

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

6.0 Investments – COUNTY program funds may not be utilized on investments where there is a risk of loss.

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 OMB Circular A-122 "Cost Principles for Non-Profit Organizations". 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. Similarly, current period expenses related to events or activities that occurred prior to the effective date of the Agreement may not be allowable. For example, any legal costs incurred prosecuting or defending a lawsuit stemming from events which occurred during a period not covered by a valid Community Treatment Facility Agreement between CONTRACTOR and COUNTY would not be allowable. Legal costs discussed in this paragraph shall not include those covered under OMB Circular A-122, Attachment C-1.

1.3 Budget Limitation

Total agency Agreement expenses may not exceed the maximum Agreement budget.

1.4 This Section Intentionally Left Blank

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	10,000
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)	$24,000

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:

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

Identify the CONTRACTOR'S direct and indirect costs (by category) and describe the cost allocation methodology for each category.

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:

Any Expenditures, or un-Expended funds, found to be unallowable by any federal or state agency authorized to review the Expenditures or un-Expended funds. To the extent that any federal or state agency seeks collection of unallowable Expenditures or un-Expended funds, COUNTY will not review and/or seek collection of those Expenditures or un-Expended funds.

Bad debts
Contingency provisions
Contributions and donations
Fines and penalties (e.g., NSF Check Fees, Traffic Citation Fees)
Fundraising activities
Interest expense (unless expressly allowed by Federal guidelines)
Losses on other awards
Legal and professional expenses, which are incurred defending against COUNTY claims for repayment of questioned costs identified in Fiscal Audits, are allowable only as permitted by OMB Circular A-122.

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 Agreement 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.

EXHIBIT E

CONTRACTOR'S PROPOSED BUDGET
(Insert Proposed Budget Here)

EXHIBIT F

DEFINITIONS OF TERMS

The following terms, as used in this Agreement, shall have the following meanings:

Case Plan: A written document based on an assessment of the circumstances, which required child welfare services intervention. It is developed by the COUNTY Worker (CSW/DPO) in partnership with the parent/guardian (whenever possible) and designed to reduce or eliminate the risk factor(s) which precipitated the referral to DCFS. It identifies a Case Plan goal (the desired outcome), objectives (the desired outcome of the successful completion of specified tasks), tasks/activities (for which a participant is accountable and the completion of which moves toward achievement of a specified Case Plan objective), the specific services to be provided and time frames for completion of the objectives and goal. Case Plan goals include: Family Maintenance, Family Preservation, Reunification and Permanency Planning (Adoption; Legal Guardianship; and long-term Foster Care).

Children's Social Worker (CSW): An employee of DCFS who performs a wide range of professional social services casework for children and their families receiving services from DCFS.

Community: For placement purposes is defined as the area/zip code where the placed child and his/her family were living at the time the child was taken into custody or where the placed child's family is living when the child is placed.

Community Care Licensing (CCL): As used in this Agreement, is the State agency with authority to license community care facilities for adults and children.

COUNTY General Fund (CGF): County supplemental funding up to $2500 per child per month.

COUNTY Worker: For a DCFS-placed child, the COUNTY Worker is a Children's Social Worker (CSW).

Court Appointed Special Advocate (CASA): An officer of the court who advocates the placed child's needs and best interests and provides the court with written recommendations. CASAs are also referred to as "Child Advocates" or "Guardian ad Litem" (GAL).

Day(s): As used in this Agreement, means calendar day(s) unless otherwise specified.

DCFS: As used in this Agreement, means COUNTY's Department of Children and Family Services.

"Do Not Refer" Status: As used in this Agreement, means all new referrals to the CONTRACTOR are suspended.

"Do Not Use" Status: As used in this Agreement, means all new referrals to the CONTRACTOR are suspended and all placed children are removed from CONTRACTOR's facility(ies).

Emancipation: Successful passage of foster youth to adulthood, including becoming a responsible and contributing member of the community.

Emancipation Planning: Services designed to enable placed youth age 14 years or older to successfully develop competencies in areas that will enhance their passage to adulthood once jurisdiction of case status has terminated.

Fiscal Year(s): As used in this Agreement means COUNTY's Fiscal Year which commences July 1 and ends the following June 30.

Foster Care Hotline: A telephone number that the CONTRACTOR must call under circumstances described in this Agreement or may call to request general information. The Foster Care Hotline is available 24 hours a day, seven days per week. The Foster Care Hotline number is (800) 697-4444.

Hold: A “hold” is a suspension of intakes to an out-of-home care facility. It may be used for any of the following: an administrative action; pending results of a complaint investigation; a voluntary request by the provider and other administrative reasons or licensing issues.

Independent Living Program (ILP): The program authorized under 42 U.S.C. 677 of the Social Security Act for services and activities to assist/prepare youth age 14 or older to make the transition from out-of-home care to independent living. Youths receiving family reunification and permanent placement services, and those in out-of-home care, are eligible. Youths receiving emergency response and family maintenance services and those in psychiatric hospitals are not eligible for the program. DCFS may also provide ILP services to former foster youths up to age 21. ILP is a major component of emancipation planning.

Minor's Attorney: Counsel appointed by the court for the minor pursuant to Welfare and Institutions Code Section 317.

Needs and Services Plan: A comprehensive, individualized, time-limited, goal oriented plan, developed by CONTRACTOR identifying the specific needs of an individual placed child, including those items specified in Title 22, Division 6, Chapter 8.8, Section 84068.2 and delineates those services necessary in order to meet the placed child's identified needs. The County Worker will provide any and all information available to assist CONTRACTOR in developing this plan.

Placed Child(ren): Any child or children placed by the COUNTY, receiving services from the CONTRACTOR pursuant to this Agreement, hereinafter referred to as a "placed child" or "placed children".

Program Directors: The Director of the Department of Children and Family Services (DCFS).
Program Managers: DCFS representatives responsible for daily management of contract operation and overseeing monitoring activities.

Rate Classification Level (RCL): The basis for monthly payment to CONTRACTOR, established by the State of California. The RCL is calculated on the basis of the number of staff hours and the educational level of staff employed who have direct contact with children.

Referral: The point at which the CONTRACTOR receives any documents from the COUNTY Worker with information necessary for the CONTRACTOR to make an assessment of the CONTRACTOR's ability to meet the placement needs of a placed child, such as the pre-placement packet of information.

Service(s): The basic needs the CONTRACTOR agrees to provide for each placed child as outlined in the California Department of Social Services Regulations, Exhibit A, Statement of Work and Exhibit B, CONTRACTOR's Program Statement.

Shall: From a legal standpoint, “shall” means mandatory obligation to fulfill a stated function.

EXHIBIT G

AGREED UPON INTERAGENCY PLACEMENT SCREENING COMMITTEE GUIDELINES

The parties acknowledge the POLICY AND GUIDELINES FOR LOS ANGELES COUNTY INTERAGENCY PLACEMENT SCREENING COMMITTEE, which will apply to placements to the CTF at Star View. In order to emphasize the placement process as it affects the Star View CTF under this Agreement, the parties have set forth in this Exhibit the following understanding and agreement. The parties incorporate the following language from the POLICY AND GUIDELINES as part of their Agreement. Any modification of this portion of the GUIDELINES as they pertain to this Agreement will require the written agreement of the parties and the expressed approval of the Board of Supervisors.

The parties also understand and acknowledge that these criteria are being applied to the Star View facility in Torrance because of Star View's particular characteristics: the facility's location in the middle of a residential neighborhood; the age of the Star View facility; the facility was not originally designed for nor previously operated as a completely locked-down facility; and that the City of Torrance would otherwise require a major modification to the facility's existing conditional use permit prior to allowing the facility to be operated as a residential treatment facility. The parties understand and agree that it is the intent of this Agreement that the Star View facility will not increase its capacity beyond the existing 56 beds, 40 of which are presently contemplated to be designated for CTF purposes. The parties may, upon mutual agreement, modify this number of designated CTF beds, but no such modification will, absent the consent of the City of Torrance, increase the capacity for Star View beyond the presently existing 56 beds.

In order to facilitate communication between Star View, the County of Los Angeles, and the City of Torrance, the parties agree that there will be quarterly meetings for this purpose, attended by appropriate representatives of all three agencies. These meetings may be scheduled less frequently than quarterly, at the option of the City of Torrance.

- It will have been determined by the Screening Committee that there has been an inability to serve the children and adolescents in a less restrictive setting, as evidenced by:

- Unsuccessful placements in open settings

- Denials of admission from RCL 12 and 14 Group Homes

- Current presenting problems that include, but are not limited to, unsafe, high-risk behaviors such as chronic AWOL, self mutilating/self destructive acts, aggressive

and assaultive behaviors, substance use and abuse, age-inappropriate sexual behaviors, or other clinical indicators as determined by the Screening Committee

- Child/adolescent demonstrates motivation for treatment and there is supportive evidence that the child/adolescent's unique needs can be met through the development of a comprehensive treatment plan to address short term and long term issues that have inhibited child/adolescent's ability to function in less restrictive community settings

➢ Exclusionary criteria that would prohibit admission to the Star View CTF include:

- Recent, credible evidence that his/her conduct would constitute a direct threat to the health or safety of other individuals or will cause substantial physical damage to the property of others

- Child/adolescent is known to have committed or attempted extremely violent acts, including murder or rape

- Child/adolescent is known to have a Sustained Petition for any premeditated violent act

- Child/adolescent is known to show a persistent pattern of violent acts or sexual offenses of a predatory nature (generally against younger, smaller, and/or opposite gender children)

- Child/adolescent is known to have a history of other acts or attempted acts which would indicate an extreme risk to the safety of other clients, staff, and the community

➢ Verification of legal status and authority for admission to a secure facility include:

- Dependents-6552 Minute Order and signed Consent for Treatment by CSW

- Wards-6552 Minute Order and signed Consent for Treatment by DPO

- DMH-Roger S. hearing or Waiver and signed Consent for Treatment by parent

- Temporary Conservatorship or Conservatorship signed by Private Conservator, parent, or Public Guardian

EXHIBIT H

JURY SERVICE PROGRAM CERTIFICATION AND LOS ANGELES COUNTY CODE 2.203 (JURY SERVICE PROGRAM)

EXHIBIT H

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:		
Company Address:		
City:	State:	Zip Code:
Telephone Number:		
Solicitation For (Type of Goods or 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:	Title:
Signature:	Date:

EXHIBIT H

"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,

2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.

B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:

   1. Has ten or fewer employees during the contract period; and,

   2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than $500,000; and,

   3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

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

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

2.203.090. Severability.

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

EXHIBIT I

SAFELY SURRENDERED BABY LAW FACT SHEET

EXHIBIT I

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

State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director

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

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

EXHIBIT I

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. Bernardine 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.

EXHIBIT I

Sin pena.
Sin culpa.
Sin peligro.

Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.

En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora

Consejo de Supervisores del Condado de Los Angeles
Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

EXHIBIT I

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

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

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

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

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

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

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

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

EXHIBIT J

ADMINISTRATION OF CONTRACT
CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: _____

CONTRACT NO. _____

CONTRACTOR'S PROGRAM DIRECTOR:

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following address:

Address: _____

_____

EXHIBIT K

ADMINISTRATION OF CONTRACT
COUNTY'S ADMINISTRATION

CONTRACT
NO. _____

COUNTY PROGRAM DIRECTOR:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY PROGRAM MANAGER:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY CONTRACT PROGRAM MONITOR:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

EXHIBIT L

CHARITABLE CONTRIBUTIONS CERTIFICATION

_____
Company Name

_____
Address

_____
Internal Revenue Service Employer Identification Number

_____
California Registry of Charitable Trusts “CT” number (if applicable)

The Nonprofit Integrity Act (S8 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

CERTIFICATION	YES	NO
Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County Agreement, It will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.	( )	( )
OR		
Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.	( )	( )

_____ _____
Signature Date

_____
Name and Title (please type or print)

EXHIBIT M

CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY (EEO) CERTIFICATION

_____
Contractor's Name

_____
Address

_____
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with the Section 22001, Administrative Code of the County of Los Angeles, the or, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S CERTIFICATION

1.	The CONTRACTOR has a written policy statement prohibiting discrimination in all phases of employment.	YES **[ ]**	NO **[**
2.	The CONTRACTOR periodically conducts a self-analysis or utilization analysis of its work force.	YES **[ ]**	NO **[**
3.	The CONTRACTOR 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 CONTRACTOR has a system for taking reasonable corrective action to include establishment of goals or time tables.	YES **[ ]**	NO **[**

_____
Name of Firm

_____
Print Name and Title

_____ _____
Authorized Signature Date

EXHIBIT N

Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. November 2002)

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 2002 investment income (such as interest and dividends) is over $2,550.

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 2002 are less than $34,178 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, 2003.

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, or from the IRS Web Site at **www.irs.gov**.

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

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2002 instructions for Form 1040, 1040A, 1040EZ, or **Pub. 596,** Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Notice 1015
(Rev. 11-2002)

Eligible employees claim the EIC on their 2002 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 2002 and owes no tax but is eligible for a credit of $791, he or she must file a 2002 tax return to get the $791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2003 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.

Cat. No. 20599I

Community Treatment Facility Semi-Annual Expenditure Report
(For Los Angeles County DCFS and DMH, Children Only)

Agency:
Address:
Contract Person:
Phone #:

Report Period:
Number of L.A. County Children:
Number of L.A. County Child Care Days in Period:
Agreement Number:

REVENUE AND EXPENDITURE SUMMARY		
	Total for 6 Months	Year-To-Date
A. Total AFDC-FC Revenues (L.A. Co. Children Only)	**$**	**$**
Total Supplemental Revenues	**$**	**$**
B. Total Combined Revenues	**$**	**$**
C. Allowable Agreement Expenditures (Allowable Expenditures for the care and services of placed Los Angeles County children allocated in accordance with requirements contained in Sections 10.2 and 10.3 of the Agreement. Expenditures should be reported within the 15 cost categories listed below. Except for the requirements of allocation of costs which is described in Sections 10.2 and 10.3 Contractor shall use the SR 3 Instructions.)		
1. Child Care & Supervision		
2. Social Work Activity		
3. Food		
4. Shelter Costs – Building Rent and Leases		
5. Shelter Costs – Approved by Attorney General Self-Dealing Transactions Affiliated Leases		
6. Building & Equipment		
7. Utilities		
8. Vehicles & Travel		
9. Child-Related		
10. Executive Director Salary		
11. Assistant Executive Director Salary		
12. Administrator Salary		
13. All Other Administrative Salaries		
14. Financial Audit Costs		
15. Administration (Minus Admin. Salaries and Financial Audit Costs)		

Total Allowable Agreement Expenditures	**$**	**$**
D. <u>Total un-Expended AFDC-FC Funds from Current Agreement</u> (Total AFDC-FC Revenues received from COUNTY less Total Allowable Agreement Expenditures) [See Agreement, Section 10.6]	**$**	**$**
E. <u>Total un-Expended Supplemental Funds from Current Agreement</u> (Total AFDC-FC Revenues received from COUNTY less Total Allowable Agreement Expenditures)	**$**	**$**
<u>F. Total unexpended AFDC-FC Funds Received from COUNTY from September 1, 2003 through the expiration date of the most recently completed Agreement term.</u>		**$**
<u>G. Total unexpended Supplemental Funds Received from COUNTY from September 1, 2003 through the expiration date of the most recently completed Agreement term.</u>		**$**
<u>H. Total Accumulated Unexpended AFDC-FC Funds</u> <u>(Add un-Expended funds from current Agreement and unexpended funds from previous COUNTY CTF Agreements)</u>		**$**
<u>I. Total Accumulated Unexpended Supplemental Funds</u> <u>(Add un-Expended funds from current Agreement and unexpended funds from previous COUNTY CTF Agreements)</u>		**$**

I hereby certify to the best of my knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to Agency accounting records, and that all AFDC-FC monies received for the purposes of this program were spent in accordance with the contract program requirements, the agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature	Date

Rev. 6-06

Exhibit P

CROSSWALK FACT SHEET

Current Language	New Language
• Health Care Financing Administration (HCFA)	• Centers for Medicare and Medicaid Services (CMS)
• Explanation of Balance (EOB)	• Remittance Advice (RA)
• Mode of Service and Service Function Code (SFC) • Activity Code	• CPT Codes: Current Procedural Terminology published by the American Medical Association is a list of codes representing procedures or services. • HCPCS Codes (Level II): HCFA and other Common Procedure Coding System (HCPCS) Codes are used and approved by the Centers for Medicare and Medicaid to describe and accurately report procedures and services. • A crosswalk of HCPCS and CPT Codes to SFC's is available in legacy files. • UB92: Refers to coding standards designated by HIPAA.
• DSM IV	• ICD-9 Codes: (International Classification of Diseases), 9th Revision Codes, issued and authorized by the Centers for • Medicare and Medicaid, to describe and accurately report health related procedures and Diagnoses.
• Clinical Staff and Discipline Code	• Rendering Provider and Taxonomy
• MHMIS or Mental Health Management Information System AND • MIS Management Information System	• IS or Integrated System
• References to entering data into the MIS	• Entering data into the IS
• RGMS	• IS

Revised 3/7/06

ATTACHMENT B

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES,
DEPARTMENT OF MENTAL HEALTH, AND PROBATION DEPARTMENT

COMMUNITY TREATMENT FACILITY AGREEMENT

WITH

VISTA DEL MAR CHILD AND FAMILY SERVICES

JULY 2006

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES,
DEPARTMENT OF MENTAL HEALTH, AND PROBATION DEPARTMENT
COMMUNITY TREATMENT FACILITY AGREEMENT

TABLE OF CONTENTS

Section Number and Title		Page
1.0	**APPLICABLE LAWS, REGULATIONS, AND DOCUMENTS**	2
2.0	**INTENTIONALLY LEFT BLANK**	3
3.0	**DEFINITIONS**	3
4.0	**CONTRACT SUM**	4
5.0	**CHANGE NOTICES AND AMENDMENTS**	5
6.0	**CONTRACTOR'S SERVICES**	6
7.0	**TERM**	7
8.0	**PAYMENT**	7
9.0	**PAYMENT ERRORS**	10
10.0	**USE OF FUNDS**	10
11.0	**RECORDS AND AUDITS – FINANCIAL**	12
12.0	**RECORDS AND AUDITS – OTHER**	15
13.0	**CONTRACT COMPLIANCE AND PROGRAM INVESTIGATIONS**	16
14.0	**FINANCIAL REPORTING**	18
15.0	**OVERPAYMENT**	19
16.0.	**SUBCONTRACTING**	19
17.0	**ASSIGNMENT BY CONTRACTOR**	20
18.0	**STATE LICENSE**	21
19.0	**OTHER SOURCES OF INCOME**	21
20.0	**PUBLICITY**	22
21.0	**COMPLIANCE WITH APPLICABLE LAWS**	22
22.0	**COMPLIANCE WITH CIVIL RIGHTS LAWS**	23
23.0	**NONDISCRIMINATION AND AFFIRMATIVE ACTION**	23
24.0	**NONDISCRIMINATION IN SERVICES**	25
25.0	**TERMINATION OF AGREEMENT FOR DEFAULT**	25
26.0	**TERMINATION FOR CONVENIENCE**	27
27.0	**TERMINATION FOR IMPROPER CONSIDERATION**	27
28.0	**TERMINATION FOR CONVENIENCE BY CONTRACTOR**	27
29.0	**LIMITATION OF COUNTY'S OBLIGATION DUE TO NONAPPROPRIATION OF FUNDS**	28
30.0	**NOTICES**	28
31.0	**CONFLICT OF INTEREST**	29
32.0	**EMPLOYEE BENEFITS AND TAXES**	29
33.0	**MUTUAL INDEMNIFICATION**	29
34.0	**GENERAL INSURANCE REQUIREMENTS**	31
35.0	**INSURANCE COVERAGE REQUIREMENTS**	33
36.0	**INDEPENDENT CONTRACTOR STATUS**	34

37.0 CONFIDENTIALITY 34
38.0 COVENANT AGAINST CONTINGENT FEES 34
39.0 SUSPENSION OF INTAKE (DO NOT REFER) 35
40.0 REMOVAL OF PLACED CHILDREN (DO NOT USE) 35
41.0 AUTHORIZATION WARRANTY 35
42.0 EMPLOYMENT ELIGIBILITY VERIFICATION 35
43.0 CRIMINAL CLEARANCES 36
44.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE 36
45.0 CONSIDERATION OF HIRING FORMER COUNTY EMPLOYEES TARGETED FOR LAYOFF 37
46.0 CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT 37
47.0 FORMER FOSTER YOUTH CONSIDERATION 37
48.0 DISPUTE RESOLUTION 38
49.0 COUNTY RESPONSIBILITY 40
50.0 CHILD SUPPORT COMPLIANCE PROGRAM 42
51.0 INTENTIONALLY LEFT BLANK 43
52.0 NOTICE OF DELAYS 43
53.0 USE OF RECYCLED-CONTENT PAPER 43
54.0 REAL PROPERTY, EQUIPMENT, FIXED ASSETS 43
55.0 COMMUNITY BUSINESS ENTERPRISES PROGRAM 44
56.0 CLIENT GRIEVANCES 44
57.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT 44
58.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT 46
59.0 CONTRACT ENFORCEMENT, QUALITY ASSURANCE PLAN, MONITORING, AND REVIEW 46
60.0 COMPLIANCE WITH JURY SERVICE PROGRAM 47
61.0 SAFELY SURRENDERED BABY LAW 48
62.0 INTERPRETATION OF CONTRACT 49
63.0 ADMINISTRATION OF CONTRACT – CONTRACTOR 50
64.0 ADMINISTRATION OF CONTRACT – COUNTY 52
65.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE 53
66.0 BUDGET REDUCTION 53
67.0 HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA) 54

EXHIBITS

Exhibit A Statement of Work
Exhibit B Contractor's Community Treatment Facility Program Statement
Exhibit C Contractor Employee Acknowledgement and Confidentiality Agreement – Contractor Non-Employee Acknowledgement And Confidentiality Agreement

Exhibit C-1 Office of Management and Budget Circular NO. A-122
Exhibit D County Fiscal Audit Phases, Fiscal Audits Of Community Treatment Facility Contractors and Auditor-Controller Community Treatment Facility Contract Accounting And Operating Handbook
Exhibit E Contractor's Proposed Budget
Exhibit F Definition of Terms
Exhibit G INTENTIONALLY LEFT BLANK
Exhibit H Jury Service Program Certification and Los Angeles County Code 2.203 (Jury Service Program)
Exhibit I Safely Surrendered Baby Law Fact Sheet
Exhibit J Contractor's Administration
Exhibit K County's Administration
Exhibit L Charitable Contributions Certification
Exhibit M Contractor's Equal Employment Opportunity (EEO) Certification
Exhibit N IRS Notice 1015
Exhibit O Semi-Annual Expenditure Report
Exhibit P Crosswalk Fact Sheet

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES,
DEPARTMENT OF MENTAL HEALTH, AND PROBATION DEPARTMENT
COMMUNITY TREATMENT FACILITY AGREEMENT

This Agreement is entered into on_____, 2006, by and between the COUNTY OF LOS ANGELES, hereinafter referred to as "COUNTY", and, VISTA DEL MAR CHILD AND FAMILY SERVICES hereinafter referred to as "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Sections 26227, 3100, and 53703, COUNTY is permitted to contract for services; and

WHEREAS, the COUNTY has the duty to provide care and protection for children placed in its charge pursuant to the provisions of Health and Safety Code Section 1500, et seq., and Welfare and Institutions Code Section 16500 et seq;

WHEREAS, existing COUNTY facilities do not have the capacity nor the specialized programs to provide the care and protection for all children in its charge;

WHEREAS, the COUNTY finds it impractical to develop and maintain facilities to care for all of the children in its charge;

WHEREAS, the State of California has established licensed "Community Treatment Facilities" through Health and Safety Code Sections 1500, et seq., Welfare and Institutions Code Sections 4094, et seq., and implementing State regulations; and

WHEREAS, the CONTRACTOR operates a Community Treatment Facility (hereinafter “CTF”) duly licensed by the California Department of Social Services, Community Care Licensing Division and has the capability to provide the required care and protection to a portion of the children and the CONTRACTOR is willing to render the services;

WHEREAS, the COUNTY finds the CONTRACTOR's program to be economically advantageous to the COUNTY and to provide a safe, secure and nurturing living environment in which the children can develop physically, emotionally, socially, educationally, spiritually and culturally; and

WHEREAS, the parties contemplate the maximum number of placements possible in CONTRACTOR’s facility for COUNTY children, and agree that priority consideration will be given to COUNTY placements; and

WHEREAS, pursuant to the provisions of Section 11460 of the Welfare and Institutions Code, the California Department of Social Services (CDSS) is designated to administer

a state system for establishing rates in the Aid to Dependent Children – Foster Care (AFDC-FC) program; and

WHEREAS, the parties agree that the additional requirements imposed by statutes and regulations upon CTFs, above and beyond what is required for foster care group homes funded at the State "RCL 14" level, necessitate funding in addition to that provided by the State for such group homes; and

WHEREAS, the State has deferred providing such additional funding pending actual CTF operating experience; and

WHEREAS, COUNTY is willing, for the duration of this Agreement (unless the State provides funding during the term thereof), to provide additional funding subject to certain restrictions and conditions;

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

1.0 APPLICABLE LAWS, REGULATIONS, AND DOCUMENTS

1.1 The parties understand and agree that CTFs are duly licensed and regulated by the State of California, and that, by way of emphasis and not limitation, all applicable provisions of law, including any amendments that may be made, must be complied with by CONTRACTOR in the operation of the CTF, including: Health and Safety Code Sections 1500-1557; Welfare and Institutions Code Sections 4094-4096.5; Government Code Sections 7570-7588 (Interagency Responsibilities for Providing Services to Handicapped Children); California Code of Regulations, Title 22, Sections 80000-84188; and California Code of Regulations, Title 9, Sections 1900-1938.

1.2 Exhibits A, and C through P are attached to and form a part of this Agreement. Exhibit B, Contractor's CTF Program Statement is not attached hereto, but is on file with DCFS Group Home Resource Development and Support and DCFS Contracts Administration. This exhibit is incorporated by reference in full as though fully set forth herein.

1.3 CONTRACTOR also acknowledges receipt of the following and understands and agrees that they will be utilized by COUNTY in interpreting and evaluating CONTRACTOR's performance under this Agreement:

Special Incident Reporting Guide for Community Treatment Facilities

DCFS 4389 (4/94), Declaration in Support of Access to Juvenile Records (WIC 827) Including Additional Confidentiality Issues

DCFS 709 (1/94), Foster Child's Needs and Case Plan Summary

Probation Case Plan Form, (PROB 1385)

DCFS 2281 (12/97), Sufficient Clothing Supply List

FYI 9409 (2/94), Requirements for Medical/Dental Exams for Placed Children

Administration of Psychotropic Medicines to DCFS Supervised Children Emancipation Preparation Contract

Department of Children and Family Services and Probation Department Investigation Guidelines and Policy for Suspension of Intake and Removal of Children

Community Business Enterprise Program

OMB Circular A-133 Audits of State, Local Governments, and Non-Profit Organizations (Contractor shall be responsible for securing the latest updated version of this Circular.)

POLICY AND GUIDELINES FOR LOS ANGELES COUNTY INTERAGENCY PLACEMENT COMMITTEE

1.4 This Agreement, and the Exhibits hereto, constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. No addition or alteration of the terms of this Agreement shall be valid unless made in accordance with the provisions set forth in Section 5.0, Change Notices and Amendments, in the body of this Agreement.

1.5 In the event of any conflict in the definition or interpretation of any word, responsibility, service, schedule, or provision between the body of this Agreement and the Exhibits, the terms of the Agreement shall govern.

2.0 INTENTIONALLY LEFT BLANK

3.0 DEFINITIONS

The parties understand and agree that the Definitions of Terms set forth in Exhibit F will apply in interpreting the Agreement.

4.0 CONTRACT SUM

4.1 COUNTY and CONTRACTOR agree that this Agreement is for placements of children, at the Rate Classification Level (RCL) 14 rate of $6,371 per child per month, paid through Aid for Families of Dependent Children – Foster Care (AFDC-FC) funds, and in addition, the supplemental rate payment of $3,760 per child per month for CTF services paid through this Agreement.. The supplemental rate payment is a firm-fixed price contract. During the term of this Agreement, COUNTY shall compensate CONTRACTOR for the services set forth in this Agreement, including Exhibit A, Statement of Work.

4.2 CONTRACTOR shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the CONTRACTOR's duties, responsibilities, or obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the COUNTY's express prior written approval.

4.3 CONTRACTOR shall maintain a system of record keeping that will allow CONTRACTOR to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, CONTRACTOR shall notify COUNTY, in the manner set forth in Section 30.0, Notices, of this Contract.

4.4 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 Agreement. Should CONTRACTOR receive any such payment, CONTRACTOR shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement 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 Agreement. Notwithstanding the foregoing, if COUNTY does not remove a Placed Child from a group home following termination of this Agreement, COUNTY will pay based upon the group home's RCL rate.

4.5 The total amount payable for the placement of $6,371 per child per month, is through AFDC-FC funds, which are separate from the supplemental rate payment under this Agreement which is $974,592, hereinafter referred to as "Maximum Contract Sum". The maximum amount payable under this Agreement for each of the contract years shall not exceed $974,592 hereinafter referred to as "Maximum Annual Contract Sum".

4.6 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 Agreement, 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 E, Contractor's Proposed 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 5.0, Change Notices and Amendments, hereof, CONTRACTOR shall prepare and submit an amended Budget.

4.7 Time is of the essence with regards to CONTRACTOR's performance of any tasks, deliverables, goods, services, or other work, as specified in this Agreement, provided, however, the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

5.0 CHANGE NOTICES AND AMENDMENTS

COUNTY reserves the right to change any portion of the work required under this Agreement, or make amendment to such other terms and conditions as may become necessary and reasonable. Any significant cost impact associated with such an amendment will be addressed in developing the amendment. A "SIGNIFICANT COST IMPACT" is defined as an incremental cost of $1200 annually on a cumulative basis. Such revisions will be accomplished in the following manner:

5.1 Any and all Exhibits other than CONTRACTOR's Statement of Work, Program Statement, and Proposed Budget (Exhibits A, B, and E, respectively), and any other Document expressly referred to as having been provided to CONTRACTOR by COUNTY, may be unilaterally changed by COUNTY to reflect changes in County, State, or Federal laws, regulations, ordinances, court orders or rulings, or in COUNTY policies or procedures, PROVIDED that such changes reflecting modifications to COUNTY policies or procedures with SIGNIFICANT COST IMPACT on CONTRACTOR must be amended pursuant to Section 5.2 or 5.3. Amendments made pursuant to this Section 5.1 shall be effective upon the effective date of the legislative change or court order, or in the case of other documents upon the delivery of such to CONTRACTOR.

5.2 For any change which does not have a significant cost impact, affect the scope of work, period of performance, payments, or which does not

materially alter any term or condition included in this Agreement, or for any change in CONTRACTOR's Program Statement, a change notice shall be prepared by COUNTY, and executed by CONTRACTOR and Program Directors or designee. As used herein, the term "MATERIALLY ALTER" is defined as being a change which, in the sole discretion of COUNTY, warrants execution by the Board of Supervisors.

5.3 For any change not covered by 5.1 or 5.2, an amendment to this Agreement will be prepared by COUNTY, signed by CONTRACTOR, and thereafter submitted to COUNTY's Board of Supervisors for consideration and, if approved, execution.

6.0 CONTRACTOR'S SERVICES

6.1 CONTRACTOR agrees to provide services for the needs of each placed child as outlined in the California Department of Social Services (CDSS) Manual of Policy and Procedures, Section 11400 et seq., California Code of Regulations, Title 22, and Exhibit A, Statement of Work. Such services shall be provided by CONTRACTOR to each placed child in accordance with the CONTRACTOR's Program Statement attached hereto as Exhibit B and consistent with the CTF license for which CONTRACTOR is paid.

6.2 The CONTRACTOR's Program Statement will be submitted for approval by COUNTY at initiation and renewal of this CTF Agreement. CONTRACTOR shall submit a revised Program Statement to COUNTY at any time during the term of this Agreement that CONTRACTOR makes changes to the program or to the facility including, but not limited to, Program Statement changes that affect the Rate Classification Level (RCL) as defined by WIC 16501.5. The CONTRACTOR's Program Statement will include, but not be limited to, operating capacity, specific statements defining intake policy, treatment services and policies, preplacement and discharge policies, detailed statements of the total services provided by CONTRACTOR, staffing and the Group Home Program Cost Report (SR3) and the Group Home Program Payroll and Fringe Benefit Report (SR4) submitted to the rate setting and licensing agencies. CONTRACTOR's performance under this Agreement will be evaluated in part based on CONTRACTOR's Program Statement. Changes to the Program Statement shall be made in accordance with Section 5.0, Change Notices and Amendments.

6.3 The parties understand and agree that appropriate MENTAL HEALTH SERVICES will be provided to the children placed in the CTF. The parties agree that the terms and conditions for such services will be governed exclusively by an existing separate agreement with COUNTY's Department of Mental Health and VISTA DEL MAR CHILD AND FAMILY SERVICES, and any Amendments thereto, PROVIDED that any real or

perceived conflicts will be resolved to the fullest extent possible to ensure compliance with the State laws and regulations governing CTFs. The parties agree to support the maximization of Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Medi-Cal funding for these MENTAL HEALTH SERVICES and that no portion of the COUNTY augmentation dollars (CGF) will replace EPSDT funds.

6.4 The parties understand and agree that costs associated with educational, medical, and dental services shall be reimbursed in whole or in part through means other than this Agreement.

7.0 TERM

The term of this Agreement shall be from July 1, 2006, or date of execution, whichever is later, through June 30, 2007, unless earlier terminated in accordance with the termination provisions herein.

7.1 County has no obligation to pay for expenditures by Contractor that exceed the Maximum Contract Sum.

7.2 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 Agreement. Should CONTRACTOR receive any such payment, CONTRACTOR shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement 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 Agreement. Notwithstanding the foregoing, if COUNTY does not remove a Placed Child from a CTF following termination of this Agreement, COUNTY will pay based upon the CTF's rate.

7.3 CONTRACTOR shall notify COUNTY when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, CONTRACTOR shall notify COUNTY, in the manner set forth in Section 30.0, Notices, of this Agreement.

8.0 PAYMENT

COUNTY has received and approved CONTRACTOR's Proposed Budget, Exhibit E, in accordance with the statutes and regulations governing CTFs. CONTRACTOR will offer the level of care and services required to receive the highest foster care rate provided for under the current group home rate system. Payment shall only occur for days spent at the CTF. If a placement is made into

another of Contractor's Programs, e.g., Group Home, CTF supplemental funds cannot be utilized.

8.1 In addition, COUNTY will pay CONTRACTOR up to two-thousand five-hundred dollars ($2500) per month per COUNTY-placed child from CGF, prorated, for CTF child care and supervision services not reimbursed from other funding sources. The parties agree that payment of these CGF funds is only for ACTUAL ALLOWABLE COSTS, in accordance with the payment, invoice, and review provisions set forth in this Agreement. CONTRACTOR will work with COUNTY to maximize revenue from non-COUNTY sources.

8.1.1 For the term July 1, 2006 through June 30, 2007, COUNTY will pay CONTRACTOR an additional $1,260, from $2,500 to $3,760, per month per COUNTY-placed children from County General Funds (CGF), prorated, for CTF child care and supervision services not reimbursed from other funding sources.

8.2 CONTRACTOR may make reallocations of expenses between major budget categories without COUNTY consent, as long as such reallocations do not exceed 10% in the annual aggregate. CONTRACTOR may, in addition, request reallocations between major budgeted categories in excess of 10% in any category in the annual aggregate, PROVIDED that such requests do not change the Maximum Contract Sum, and are in writing and approved by COUNTY's Program Manager and Finance Officer. COUNTY will accept no more than three such requests each contract period, unless the Program Manager determines the need for additional budget modifications, in his sole discretion.

8.3 CONTRACTOR shall complete and submit vouchers in arrears, for services rendered in the CTF in the previous month. Billing shall only be for days spent in the CTF and shall be exclusive of any other programs. All vouchers shall be received within five days of the last day of the previous month. Vouchers shall be sent to:

Revenue Enhancement
Vendor Voucher Validation Unit
P.O. Box 2969
Covina, CA 91722-8969

8.4 Placements lasting less than a full month shall be prorated. Payment shall commence the day the child is placed with the CONTRACTOR in the CTF and terminate the day before the child is removed. When the CONTRACTOR holds open a bed at the request of the child's COUNTY Worker in anticipation of the child's return, COUNTY shall pay for that bed

for the requested number of days up to seven (7) days for requests from DCFS and three (3) days for requests from the Probation Department.

8.5 COUNTY shall make every effort to pay the CONTRACTOR the amount due within 15 calendar days after receipt of the voucher or payment authorization date. Retroactive and supplemental increases in payment to CONTRACTOR shall not be bound by the 15 calendar day payment goal. Questions regarding payment should be directed to the DCFS Foster Care Hotline at (800) 697-4445.

8.6 CONTRACTOR shall notify the COUNTY within 30 days of the receipt of any payment that is incorrect. Notification must be made by completing the Payment Resolution Notification form (COV 71) and faxing it to (626) 858-9143. Interest charges may be assessed from the 30th day following identification and written notification of the incorrect payment, at a rate equal to COUNTY's current Pool Rate, as determined by COUNTY's Auditor-Controller, per day on the delinquent amount due. Interest charges shall be paid by CONTRACTOR upon demand. COUNTY will resolve payment discrepancies within 30 days of receipt of the Payment Resolution Notification Form. COUNTY will provide CONTRACTOR with written notice of payment resolutions. CONTRACTOR will be required to repay any excess funds in accordance with Section 9.0 of this Agreement. COUNTY shall make every effort to pay CONTRACTOR any underpayment within 30 days of written notice of payment resolution to CONTRACTOR.

8.7 In addition to any other notice requirements, CONTRACTOR shall notify DCFS Foster Care Hotline at (800) 697-4444 for DCFS children, the Probation Central Placement Unit at (323) 226-8600 for Probation youth, or DMH Countywide Case Management Unit at (213) 738-2906 for DMH children, within 24 hours whenever a child leaves the CONTRACTOR's facility or a child is moved from one level of care to another level of care within CONTRACTOR's program.

8.8 Should CONTRACTOR, after having a child admitted into a psychiatric hospital, decide not to take the child back, then all foster payments made to CONTRACTOR to keep space available for that child shall be returned immediately to the COUNTY by CONTRACTOR, unless otherwise agreed to by COUNTY and CONTRACTOR.

8.9 The COUNTY may, at its discretion, implement an alternative payment system to replace the current voucher payment system. Any changes to the payment system will be discussed with the CONTRACTOR prior to implementation.

8.10 CONTRACTOR will be required to use unrestricted funds to repay any interest charges or liquidated damages assessed by the COUNTY.

9.0 PAYMENT ERRORS

9.1 In the event that COUNTY identifies an excess payment made to CONTRACTOR, COUNTY will notify CONTRACTOR of such in writing. Upon receipt of such notice, CONTRACTOR shall within thirty (30) calendar days, return the excess payment to COUNTY, or execute an agreement to pay within another mutually agreed upon time frame, or register a written notice of dispute, with accompanying documentation, to:

Division Chief, Revenue Enhancement
Department of Children and Family Services
800 South Barranca Street, 4th Floor
Covina, CA 91732

In the event CONTRACTOR does not return payment, enter into an agreement for payment within a mutually agreed upon time frame, or register a written notice of dispute, within thirty (30) days of receipt of such notice, COUNTY may place CONTRACTOR on Do Not Refer Status, pursuant to DCFS Administrative Hold policy.

CONTRACTOR may request that any dispute under this provision be resolved pursuant to Section 48.0.

9.2 Upon final determination of the amount owed, if the CONTRACTOR refuses or is unable to repay the amount owed or no longer receives funds from the COUNTY, the COUNTY, at its sole discretion, may collect directly or refer the case to the appropriate COUNTY agency.

9.3 The COUNTY may charge interest as described in Section 8.6 if payment errors are not promptly repaid.

10.0 USE OF FUNDS

10.1 CONTRACTOR shall be organized and operated as a Federal Tax Exempt (if applicable) non-profit corporation throughout the term of this Agreement and conduct itself in accordance with all accounting and operating requirements of such status.

10.2 CONTRACTOR shall use AFDC-FC funds paid to and Expended by CONTRACTOR only for the care and Services of Placed Children, in order to maintain the standards of care and Services consistent with the Statement of Work and the AFDC-FC payments received. By August 1 of

each year, CONTRACTOR shall submit to COUNTY a cost allocation plan, which provides for the reasonable allocation of CONTRACTOR's Expenditures for the then current fiscal year. CONTRACTOR's cost allocation plan shall be developed in accordance with the principles included in OMB Circular A-122 (Exhibit C-1) and the Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook (Exhibit D).

10.3 CONTRACTOR shall Expend foster care funds on reasonable and allowable Expenditures in providing the necessary care and Services, as specified in this Agreement, for children placed by COUNTY. The determination of reasonable and allowable Expenditures shall be in accordance with OMB Circular A–122 (Exhibit C-1); Manual of Policy and Procedures Sections 11-400, 11-402, 11-403, 11-404, and 11-420; and 45 CFR 74.27, and the Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook (Exhibit D). Any AFDC-FC funds not Expended in accordance with the above will be disallowed on monitoring/audit, and will require repayment by CONTRACTOR. Any dispute regarding repayment of funds is subject to the provisions outlined in Section 48.0, Dispute Resolution.

10.4 All uses of AFDC-FC funds paid to and Expended by CONTRACTOR and other financial transactions related to CONTRACTOR's provision of Services under this Agreement are subject to review and/or audit by DCFS, Probation, COUNTY's Auditor-Controller or its designee, as set forth in Exhibits C-1 and D. In the event this Agreement 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 or Probation, upon demand by COUNTY. Upon notice by CONTRACTOR, COUNTY will, upon verification by COUNTY, reduce the audit disallowance claimed by COUNTY by the amount subject to repayment to the state for duplicated disallowed Expenditures during the time period covered by COUNTY's audit.

10.5 Notwithstanding any other provision of this Agreement, in addition to all other rights to monitor, including but not limited to audit, CONTRACTOR and COUNTY agree that it is the intent of the parties that COUNTY shall have the right to audit any and all use of AFDC-FC funds, paid to and Expended by CONTRACTOR, in order to ensure that all Expended and unspent funds are accounted for and that unspent funds are held for the future benefit of Placed Children, and to determine the appropriate disposition of unallowable Expenditures.

10.6 Total accumulated unexpended funds (TAUF) shall include (1) CONTRACTOR's un-Expended funds; and (2) CONTRACTOR's accumulated, unexpended AFDC-FC funds received from COUNTY between September 1, 2003 through the expiration date of the most

recently completed contract term. If facts suggest the possibility of fraud or significant abuse, COUNTY reserves the right to review uses of unexpended funds accumulated in periods prior to September 1, 2003. CONTRACTOR's TAUF shall be reflected on its Semi-Annual Expenditure Report (Exhibit O).

At the end of any given CONTRACTOR fiscal year, any TAUF that is equal to or less than two months budgeted revenues for COUNTY's Group Home program for its next fiscal year may be retained by CONTRACTOR for future use for the benefit of Placed Children for reasonable and allowable costs. The maximum level of retainable TAUF will hereafter be referred to as the TAUF Ceiling. In the event that CONTRACTOR's TAUF, at the end of any given CONTRACTOR fiscal year, exceeds the TAUF Ceiling, CONTRACTOR shall develop a plan regarding how to utilize the TAUF for the benefit of Placed Children for reasonable and allowable costs, and shall submit the plan to Director's Deputy Director level designee for review and approval within 60 Days of the fiscal year end. Section 11-404.2 through 11-404.2.24 of the State Manual of Policy and Procedure provides examples of permissible uses of unexpended funds. Said Sections may provide a guideline for permissible uses of TAUF. However, all CONTRACTOR plans for uses of TAUF require pre-approval by the COUNTY.

If the plan is not approved, CONTRACTOR shall, in consultation with COUNTY, work to develop a revised plan for TAUF excess that is acceptable to COUNTY within 30 days of denial of proposed plan. COUNTY shall respond in writing within 25 days of receipt of CONTRACTOR's revised plan. CONTRACTOR shall respond with any proposed amendments to revised plan within 15 business days of receipt of COUNTY's written response. COUNTY will issue a final plan within 5 days of receipt of CONTRACTOR's amendments.

CONTRACTOR'S failure to develop an appropriate plan for the utilization of excess TAUF, or the Expenditure of excess TAUF without a COUNTY approved plan shall constitute a material breach of the Agreement. In such instance, COUNTY may take appropriate action, pursuant to this Agreement, including, but not limited to, that under Sections 39.0, Suspension of Intake (Do Not Refer), and 40.0 (Removal of Placed Children (Do Not Use) with the understanding that CONTRACTOR may appeal the final decision pursuant to the Dispute Resolution in Section 48.0

11.0 RECORDS AND AUDITS – FINANCIAL

11.1 CONTRACTOR shall maintain accurate and complete financial records of all its activities and operations relating to this Agreement which are in

accordance with Generally Accepted Accounting Principles and which meet the requirements for contract accounting, internal control and financial reporting as identified in Exhibit D. Such records shall include, but not be limited to, accounting ledgers, journals, canceled checks, time cards, personnel records, fringe benefit rate notices, receipts and invoices, payroll tax records, subcontracts, space and equipment lease agreements, and other relevant accounting books, records, worksheets and logs, as appropriate for ensuring CONTRACTOR accountability of Agreement expenditures and program performance.

11.2 All documents identified in Section 11.1 shall be kept and maintained by CONTRACTOR and shall be made available to COUNTY during the term of this Agreement and for a period of five (5) years thereafter, unless COUNTY's written permission is given to dispose of any such material prior to such time. In the event CONTRACTOR does not make available its records within the territorial limits of County of Los Angeles, or a county contiguous thereto if CONTRACTOR's principal place of business is located in a contiguous county, CONTRACTOR agrees to pay all necessary and reasonable transportation and travel expenses incurred by COUNTY in conducting any review at the location where said records are maintained.

11.3 All uses of funds paid to CONTRACTOR by COUNTY for provision of services under this Agreement are subject to review and/or audit by DCFS, COUNTY's Auditor-Controller or its designee, or the State of California. Any audits conducted by COUNTY's Auditor-Controller will be conducted in accordance with protocols established by COUNTY Auditor-Controller, which shall be substantially similar to protocols set forth in Exhibit D. CONTRACTOR shall, during normal business hours, allow appropriate COUNTY, State and Federal agencies, including CDSS, and COUNTY's Auditor-Controller or its designee, to evaluate, audit, review, inspect, and monitor its accounting books and records of program operations, including the interview of CONTRACTOR's staff, insurance agents, bank personnel, board members, vendors, and subcontractors.

11.4 Upon request, CONTRACTOR shall provide COUNTY with copies of records and documents, including placed children's records and personnel records. CONTRACTOR shall be responsible for the cost of providing photocopies to COUNTY. COUNTY agrees to limit requests for copies of records to an as-needed basis only.

11.5 In the event that a fiscal audit is conducted of CONTRACTOR by COUNTY, COUNTY may send a copy of such audit to CDSS for appropriate action. If, as a result of a fiscal audit or investigation, the Director in his or her sole discretion, determines that a violation of an obligation under this Agreement has occurred or that audit exceptions,

determined in accordance with Section 11.2 or Section 12.0 exist, COUNTY shall have all available remedies specified in this Agreement. Such remedies shall include placing CONTRACTOR on DO NOT REFER (Administrative) or DO NOT USE (Administrative) as set forth in Department of Children and Family Services Investigation Guidelines and Policy for Suspension of Intake and Removal of Children.

11.6 CONTRACTOR shall be responsible for having timely annual financial audits and/or reviews in accordance with applicable Federal and State laws and regulations.

11.7 All audits conducted of CONTRACTOR by a Federal or State auditor or by any independent auditor engaged by CONTRACTOR or otherwise, shall be filed with COUNTY's DCFS' Quality Assurance Division and COUNTY's Auditor-Controller's Audit Division within thirty (30) days of CONTRACTOR's receipt of the final audit report, unless otherwise provided by applicable Federal or State law. COUNTY shall maintain the confidentiality of such audit records to the extent they are not subject to disclosure under the Public Records Act. Further, COUNTY may disclose all such audit reports to other governmental agencies.

11.8 If the COUNTY conducts a fiscal audit of a CONTRACTOR, COUNTY shall offer CONTRACTOR an opportunity to have an exit conference, as set forth in Exhibit D, prior to issuance of the audit report.

In the event CONTRACTOR disputes any or all fiscal audit findings and recommendations, CONTRACTOR may appeal them pursuant to the Dispute Resolution as set forth in Section 48.0 of this Agreement.

11.9 Failure on the part of CONTRACTOR to comply with the provisions of this Section 11.0 shall constitute a material breach of this Agreement upon which COUNTY may terminate this Agreement.

11.10 AUDIT SETTLEMENT

If, at any time during the term of this Agreement or within five (5) years after the expiration or termination of this Agreement, 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.

12.0 RECORDS AND AUDITS – OTHER

12.1 CONTRACTOR shall maintain and retain records on each child as required by Community Care Licensing regulations, Exhibit A Statement of Work, and Exhibit B CONTRACTOR's Program Statement. Such records shall include, but not be limited to, placement and termination documents, community service activities, extracurricular school activities, placed children's financial records (clothing, allowances, earnings, medical expenses, etc.), diagnostic evaluations and studies, child interviews, progress notes (treatment, school, medical, etc), and notes on services provided by the various professional and paraprofessional staff (treatment, recreation, child care, etc.). The records shall be in sufficient detail to permit an evaluation of services provided.

12.2 All such material, including, but not limited to, documents identified in Section 12.1 , shall be kept and maintained by CONTRACTOR and shall be made available to COUNTY during the term of this Agreement and for a period of five (5) years thereafter, unless COUNTY's written permission is given to dispose of any such material prior to such time. In the event the CONTRACTOR does not make available its records within the territorial limits of the COUNTY of Los Angeles, or a county contiguous thereto if CONTRACTOR's principal place of business is located in a contiguous county, CONTRACTOR agrees to pay all necessary and reasonable transportation and travel expenses incurred by COUNTY in conducting any review at the location where said records are maintained.

12.3 Pursuant to the Terms and Conditions of this Agreement, the COUNTY may inspect and conduct investigations of the CONTRACTOR's program operations, without prior notice to CONTRACTOR, seven days a week, 24 hours a day. COUNTY also retains the right to conduct audits to ensure that children referred to CONTRACTOR are being provided services in accordance with this Agreement. Procedures for such investigations and program audits are set forth in Exhibit D. Such guidelines and procedures may include a scoring continuum which reflects percentage findings of aggregated elements within a review category. While COUNTY and Providers commit to an ongoing collaborative process and a good faith effort to develop CTF program review guidelines and procedures which are acceptable to CTF providers, COUNTY reserves the right to make the final determination of the content of such guidelines and procedures. Once such guidelines and procedures are developed, Exhibit D will be amended accordingly and any further program inspections and investigations will be conducted consistent with such guidelines and procedures. In the event that such guidelines and procedures have not

been developed within ninety (90) days following implementation of this Agreement, program audits will be discontinued until the guidelines and procedures are in place.

12.4 Upon request, CONTRACTOR shall provide COUNTY with photocopies of records and documents, including children's records and personnel records. CONTRACTOR shall be responsible for the cost of providing photocopies to the COUNTY. The COUNTY agrees to limit requests for copies of records to an as needed basis only.

12.5 In the event that an audit is conducted of CONTRACTOR by COUNTY, COUNTY may send a copy of such audit to CDSS for appropriate action. If, as a result of an audit or investigation, the Director in his/her sole discretion determines that a violation of an obligation under this Agreement has occurred or that audit exceptions, determined in accordance with Sections 6.1, 11.2 and this Section 12.0, exist, CONTRACTOR shall pay to COUNTY the full amount of CONTRACTOR's liability for such violations or audit exceptions upon demand by COUNTY and COUNTY shall have available all remedies specified in this Agreement.

13.0 CONTRACT COMPLIANCE AND PROGRAM INVESTIGATIONS

13.1 COUNTY may inspect and conduct investigations of CONTRACTOR's program operations and contract compliance without prior notice to CONTRACTOR, seven days a week, 24 hours a day. COUNTY retains the right to do audits to ensure that placed children referred to CONTRACTOR are being provided services in accordance with this Agreement. Program review guidelines and procedures are set forth in COUNTY'S DCFS and Probation Investigation Guidelines, a copy of which CONTRACTOR acknowledges receipt.

13.2 Such reviews and/or audits shall encompass all of CONTRACTOR's financial, program, employees, subcontractors and placed children's records related to services provided under this Agreement, and any other financial transactions, as determined necessary to ensure that AFDC-FC and CGF funds have been accounted for and expended in accordance with the regulations set forth in Section 10.2.

13.3 CONTRACTOR shall maintain and retain records on each placed child as required by Community Care Licensing regulations, Exhibit A Statement of Work, and Exhibit B CONTRACTOR's Program Statement. Such records shall include, but not be limited to, placement and termination documents, medical and dental records, placed children's financial records (clothing, allowances, earnings, medical expenses, etc.), diagnostic evaluations and studies, placed child interviews, social worker progress notes (including

treatment, school, extracurricular activities at school or in the community, etc.), and notes on services provided by the various professional and paraprofessional staff (treatment, recreation, child care, etc.). The records shall be in sufficient detail to permit an evaluation of services provided. All such documents shall be kept and maintained by CONTRACTOR for the period of time services are rendered the placed child and for at least five (5) years following termination of services to the child.

13.4 In the event a Program Director determines in his/her sole discretion that a violation of an obligation under this Agreement, or breach of any provision hereof, as a result of a program audit or investigation conducted pursuant to Section 11.0, has occurred, COUNTY and CONTRACTOR shall have all of the rights and remedies set forth below unless such violation or breach is determined, by a Program Director, in his/her sole discretion, to pose a health or safety risk to any placed child or children in which case COUNTY may enforce remedies in accordance with Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use), of this Agreement. CONTRACTOR may also request to meet with the Out-of-Home Care Division Chief. For violations that are determined not to pose a health or safety risk, the following remedies will be applied in sequence:

13.4.1 CONTRACTOR will be required to cure the violation or breach within a time period designated by COUNTY and to submit a Corrective Action Plan (CAP) in accordance with Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use).

13.4.2 If CONTRACTOR fails to submit and/or implement a CAP or otherwise satisfactorily cure the violation or breach, COUNTY may place CONTRACTOR on “Do Not Refer” (Administrative) as provided in Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use), until such time as the violation or breach has been satisfactorily cured.

13.4.3 If CONTRACTOR fails to submit and/or implement a CAP or otherwise satisfactorily cure the violation within thirty (30) days of the Do Not Refer action, COUNTY may place CONTRACTOR on “Do Not Use” (Administrative) and remove placed children as provided in Department of Children and Family Services Investigation Guidelines, Policy for Suspension of Intake (Do Not Refer), and Removal of Children (Do Not Use), or take any and all such actions, at law or in equity, including, but not limited to, the

termination of this Agreement as set forth herein, as deemed appropriate by COUNTY.

13.4.4 The parties acknowledge and agree that, in considering CONTRACTOR'S obligations, Federal law regarding special education rights of students, including status quo, "right to stay pending," and "stay put orders" must be complied with.

13.5 In the event that COUNTY believes there is any violation or breach of any Title 22 licensing requirement or Title 9 CTF requirement, COUNTY may refer the violation to the Community Care Licensing Division of the California Department of Social Services, and the State Department of Mental Health for appropriate action, including the imposition of any applicable fines and penalties.

14.0 FINANCIAL REPORTING

14.1 CONTRACTOR shall report and reconcile quarterly the actual $2,500 per child CTF revenues, and the actual $1,260 per child CTF revenues with actual quarterly revenues and expenditures on the Expenditure Report in accordance with CONTRACTOR's approved budget. CONTRACTOR shall submit such Expenditure Reports to:

Department of Children and Family Services
Finance Services Division
425 Shatto Place, Room 204
Los Angeles, CA 90020

The Expenditure Report shall be submitted no later than sixty (60) calendar days following the last day of the quarter for which it is due. In the event Expenditure Reports are not received timely by COUNTY, COUNTY may place CONTRACTOR on DO NOT REFER (Administrative), subject to exceptions for good cause as determined by COUNTY, until Expenditure Reports are received. The quarterly report will apply for CTFs and replaces the Semi-Annual Expenditure Report.

14.2 COUNTY total financial obligation to CONTRACTOR shall not exceed verified expenditures incurred by CONTRACTOR. If actual costs as identified in quarterly expense statements are significantly below (no less than 10%) the CONTRACTOR's RCL rate plus CGF amount, the parties shall meet to review the variance. If actual costs continue significantly below, without satisfactory explanation, COUNTY may modify its total financial obligation.

14.3 Contractor shall reconcile all revenues received as referenced in Section 8.1 to actual allowable costs for services and supervision which are not

otherwise reimbursable from other resources in excess of RCL 14. The reconciliation shall be submitted according to the provisions of Section 14.1 within 60 calendar days following the last day of the contract period. Any overpayment due to the County shall be paid to the County according to the provisions of Section 15.0.

15.0 OVERPAYMENT

15.1 CONTRACTOR agrees that when a sustained overpayment, as described in WIC 11466 et seq. is identified, CONTRACTOR shall repay to the State or COUNTY within 30 calendar days at the end of each quarterly period the amount of the overpayment including interest in accordance with WIC 11466 et seq.

15.2 Failure by the CONTRACTOR to make payments as required in a repayment agreement between the State and the CONTRACTOR for the payment of sustained overpayments may result in placing CONTRACTOR's agency on "Do Not Refer" status by COUNTY until the overpayment has been repaid.

16.0. SUBCONTRACTING

16.1 COUNTY and CONTRACTOR acknowledge and agree that CONTRACTOR may subcontract for provision of social work, therapy and other specific services to be provided to placed children hereunder. Such subcontracting shall be close in conformance within the provisions of this Section 16.0.

16.2 All of the provisions of this Agreement 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 Agreement 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."

16.3 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.

16.4 CONTRACTOR shall obtain the following from each subcontractor before any subcontractor employee may perform any work under any subcontract

to this Agreement. CONTRACTOR shall maintain and make available upon request of Program Manager all the following documents.

16.4.1 An executed Contractor Employee Acknowledgment and Confidentiality Agreement and Contractor's Non-Employee Acknowledgment and Confidentiality Agreement (see Exhibit C), executed by each subcontractor and each of subcontractor's employees approved to perform work hereunder.

16.4.2 Certificates of insurance which establish that the subcontractor maintains all the programs of insurance required by Section 34.0 of this Agreement (Insurance), and

16.4.3 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.

16.5 CONTRACTOR shall provide COUNTY's Program Manager with copies of all executed subcontracts.

16.6 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 Agreement, including, but not limited to, the obligation to properly supervise, coordinate, and perform all work required hereunder.

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

16.8 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 subcontractor or their officers, employees, and agents.

17.0 ASSIGNMENT BY CONTRACTOR

17.1 CONTRACTOR shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of COUNTY, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Section 17.1, COUNTY consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties.

Any payments by COUNTY to any approved delegate or assignee on any claim under the Agreement shall be deductible, at COUNTY's sole discretion, against the claims, which CONTRACTOR may have against COUNTY.

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

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

18.0 STATE LICENSE

During the term of this Agreement, CONTRACTOR shall have, maintain and post a valid license as a CTF issued by the California Department of Social Services, Community Care Licensing Division.

19.0 OTHER SOURCES OF INCOME

19.1 CONTRACTOR shall forward any income (e.g., SSI, inheritances, personal injury and victims of crime awards, etc.) received on behalf of a child, other than the child's personal earnings, to the following address:

DCFS Finance Office
425 Shatto Place Rm. #204
Los Angeles, California 90020

CONTRACTOR shall work with COUNTY to ensure future income payments are paid directly to the COUNTY by the payor.

19.2 The provisions of this Section do not in any way require the CONTRACTOR to apply revenue, income, private grants or gifts which are unrestricted, to any cost or expense of CONTRACTOR which is reimbursable by COUNTY hereunder.

19.3 The provisions of this Section do not supersede State regulations in the treatment of revenue, income, private grants or gifts in determining the rate of payment.

20.0 PUBLICITY

20.1 The CONTRACTOR shall not disclose any details in connection with this Agreement 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 Agreement within the following conditions:

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

B. During the course of performance of this Agreement, 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.

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

21.0 COMPLIANCE WITH APPLICABLE LAWS

21.1 CONTRACTOR shall conform to and abide by all applicable Municipal, COUNTY, State and Federal laws and regulations, court rules, and ordinances, whether or not referred to in this Agreement, 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 herein, the same must be obtained from the regulatory agency having jurisdiction there over.

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

21.3 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 this Section.

21.4 The CONTRACTOR agrees to abide by all applicable Federal, State, and local laws, including the Americans with Disabilities Act (ADA) and its requirements to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, the CONTRACTOR's program.

22.0 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 Agreement or under any project, program or activity supported by this Agreement.

23.0 NONDISCRIMINATION AND AFFIRMATIVE ACTION

23.1 CONTRACTOR certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies, are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

23.2 CONTRACTOR shall certify to, and comply with, the provisions of Exhibit M, Contractor's Equal Employment Opportunity (EEO) Certification.

23.3 CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, ancestry, national origin, sex, age, physical

or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

23.4 CONTRACTOR certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

23.5 CONTRACTOR certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

23.6 CONTRACTOR shall allow COUNTY representatives access to CONTRACTOR's employment records during regular business hours to verify compliance with the provisions of this Section 23.0 when so requested by COUNTY.

23.7 If the COUNTY finds that any provisions of this Section 23.0 have been violated, such violation shall constitute a material breach of agreement upon which COUNTY may determine to terminate this Agreement. While the COUNTY reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Opportunity Commission or the Federal Equal Employment Opportunity Commission that the CONTRACTOR has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by COUNTY that the CONTRACTOR has violated the anti-discrimination provisions of this Agreement.

23.8 The parties agree that in the event the CONTRACTOR violates any of the anti-discrimination provisions of this Agreement, the COUNTY shall, at its sole option, be entitled to the sum of Five Hundred Dollars ($500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

24.0 NONDISCRIMINATION IN SERVICES

In the performance of this Agreement the CONTRACTOR shall not discriminate in the delivery of services as provided in and consistent with the CONTRACTOR's Program Statement, attached hereto as Exhibit B, on the basis of race, religion, color, creed, national origin, sex, sexual orientation, age, condition of physical or mental handicap, marital status or political affiliation. The CONTRACTOR shall comply with the Civil Rights Act of 1964, Government Code Section 11135 and all other applicable laws and regulations, in addition to complying with the CONTRACTOR's CDSS, CCLD license. The CONTRACTOR shall not discriminate based upon race, religion, ancestry, national origin, sex, sexual orientation, age, condition or physical or mental handicap, marital status or political affiliation. COUNTY and CONTRACTOR agree that CONTRACTOR will accept or reject children for placement consistent with CONTRACTOR's Program Statement and in compliance with CONTRACTOR's license. Such determination may not be arbitrary and capricious, unreasonable or discriminatory.

25.0 TERMINATION OF AGREEMENT FOR DEFAULT

25.1 COUNTY may terminate the whole or any part of this Agreement if COUNTY determines at its sole discretion that any of the following circumstances exist:

25.1.1 CONTRACTOR has made a misrepresentation of any required element in the bid/proposal submitted in response to the Invitation for Bids/Request for Proposals; if any; or

25.1.2 CONTRACTOR fails to perform any material provision of this Agreement.

25.1.3 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;

25.1.4 Transfer of the controlling interest of CONTRACTOR to any person(s) or entity(ies) other than those in control at the time of the execution of this Agreement or other violation of Section 17.0, Assignment by Contractor, hereof.

25.1.5 Insolvency of CONTRACTOR as determined by any of the following:

1. CONTRACTOR 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;

2. The filing of a voluntary petition in bankruptcy;

3. The appointment of a Receiver or Trustee for CONTRACTOR; or

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

25.1.6 Notice that CONTRACTOR's AFDC-FC Rate will be terminated by the State. Actual termination of the Rate is not required for default pursuant to this provision.

25.2 Any termination by COUNTY for default will be in accordance with the terms and conditions of this Agreement

25.3 In the event that COUNTY terminates the Agreement in whole or in part as provided in this Section, COUNTY may recover damages to the extent permitted by applicable law.

25.4 CONTRACTOR shall not be liable, if its failure to perform this Agreement arises out of causes beyond the control and without the fault or negligence of CONTRACTOR. Such causes may include, but not be limited to: acts of God or of the public enemy, acts of COUNTY in either its sovereign or contractual capacity, acts of Federal or State Governments in their sovereign capacities, fires, floods, epidemics, riots, earthquakes, quarantine restrictions, strikes, freight embargoes and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of CONTRACTOR.

25.5 If, after COUNTY has given notice of termination under the provisions of this Section, it is determined by the COUNTY that CONTRACTOR was not in default under the provisions of this Section or that the default was excusable under provisions of this Section, the rights and obligations of the parties shall be the same as if notice of termination had been issued pursuant to Section 26.0, Termination for Convenience.

25.6 The remedies reserved the COUNTY herein shall be cumulative and in addition to any other remedies provided in law or equity.

26.0 TERMINATION FOR CONVENIENCE

26.1 This Agreement may be terminated, when such action is deemed by COUNTY to be in its best interest. Termination of this Agreement shall be effected by delivery to CONTRACTOR or a written notice of termination specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than sixty (60) days after the notice is sent unless by mutual consent.

26.2 After receipt of a notice of termination, COUNTY shall provide for the removal of placed children in a fashion consistent with the best interest of the children.

27.0 TERMINATION FOR IMPROPER CONSIDERATION

27.1 COUNTY may, by written notice to CONTRACTOR, immediately terminate the right of CONTRACTOR to proceed under this Agreement 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 Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the CONTRACTOR's performance pursuant to the Agreement. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

27.2 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 (800) 544-6861.

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

28.0 TERMINATION FOR CONVENIENCE BY CONTRACTOR

The Agreement may be terminated when such action is deemed by CONTRACTOR to be in its best interest. Termination of this Agreement shall be effective by the delivery to COUNTY of such notice of termination specifying the date which such termination becomes effective. The date upon which such termination becomes effective shall be no less than sixty (60) days after the

notice is sent. In the event of a breach by COUNTY under this Agreement, CONTRACTOR shall have all remedies available at law.

29.0 LIMITATION OF COUNTY'S OBLIGATION DUE TO NONAPPROPRIATION OF FUNDS

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

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

29.3 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.

30.0 NOTICES

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:

David Sanders, Ph.D., Director
Department of Children and Family Services
425 Shatto Place
Los Angeles, California 90020
Attention: Walter Chan, Manager
Contracts Administration

All notices to CONTRACTOR shall be sent to CONTRACTOR:

Elias Lefferman, Ph.D., President, CEO
Vista Del Mar Child and Family Services
3200 Motor Avenue,
Los Angeles, CA 90034

or such other place as may hereinafter be designated in writing by the CONTRACTOR.

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 or of a co-partner, or if the CONTRACTOR is a corporation, of an officer or member of the corporation, or by the managing agent regularly in charge of the work on behalf of CONTRACTOR, shall in any case be sufficient notice.

31.0 CONFLICT OF INTEREST

No County employee whose position in COUNTY enables such employee to influence the award or administration of this Agreement or any competing Agreement, 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 Agreement. 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.

CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. 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.

32.0 EMPLOYEE BENEFITS AND TAXES

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

32.2 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 Agreement or CONTRACTOR'S performance hereunder.

33.0 MUTUAL INDEMNIFICATION

33.1 CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its Special Districts, elected and appointed officers, employees, and agents (COUNTY) from and against any and all liability and expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal

injury, property damage, and/or violation of any applicable Municipal, County, State, and Federal laws and regulations, Court Rules or ordinances resulting from or connected with CONTRACTOR's acts or omissions resulting from its performance of this Agreement but only in proportion to and to the extent such liability, expense or damage is caused by any negligent or willful act or omission of CONTRACTOR, its employees or agents.

33.2 CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its agents, officers and employees from any and all CONTRACTOR employee Worker's Compensation claims, suits, liability, or expense resulting from its performance of this Agreement and will bear the sole responsibility and liability for furnishing Worker's Compensation benefits in an amount and form to meet the State of California's statutory requirements, and in amounts as set forth in Section 35.3, to any and all CONTRACTOR personnel for injuries arising from or connected with Services performed under this Agreement.

33.3 CONTRACTOR shall indemnify COUNTY, and hold it harmless from any and all loss, damage, costs, and expenses, including reasonable attorney's fees, suffered or incurred on account of any breach by CONTRACTOR of the obligations and covenants described in subsections 33.1 and 33.2.

33.4 COUNTY shall indemnify, defend, and hold harmless CONTRACTOR, its agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage resulting from or connected with COUNTY's acts or omissions, resulting from its performance of this Agreement but only in proportion to and to the extent such liability, expense or damage is caused by any negligent or willful act or omission of COUNTY, its Special Districts, elected and appointed officers, employees, or agents.

33.5 COUNTY shall indemnify, defend, and hold harmless CONTRACTOR, its agents, officers and employees from any and all COUNTY employees Worker's Compensation suits, liability, or expense resulting from its performance of this Agreement and will bear the sole responsibility and liability for furnishing Worker's Compensation benefits in an amount and form to meet the State of California statutory requirements to any and all COUNTY personnel for injuries arising from or connected with Services performed under this Agreement.

33.6 COUNTY shall indemnify CONTRACTOR, and hold it harmless from any and all loss, damage, costs and expenses, including reasonable attorney's fees,

suffered or incurred on account of any breach by COUNTY of the obligations and covenants described in subsections 33.4 and 33.5.

34.0 GENERAL INSURANCE REQUIREMENTS

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Agreement, CONTRACTOR shall provide and maintain, and shall require all of its subcontractors to maintain, the programs of insurance specified in this Agreement in Section 34.0, Insurance Coverage Requirements. 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.

34.1 Evidence of Insurance: Prior to commencing services under this Agreement, certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to:

Contracts Administration
Department of Children and Family Services
425 Shatto Place, Room 400
Los Angeles, CA 90020
Attn: Walter Chan, Manager

Such certificates or other evidence shall:

34.1.1 Specifically identify this Agreement.

34.1.2 Clearly evidence all coverages required in this Agreement.

34.1.3 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.

34.1.4 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 Agreement.

34.1.5 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.

34.2 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.

34.3 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 Agreement upon which COUNTY may immediately terminate or suspend this Agreement. 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.

34.4 Notification of Incidents, Claims or Suits: CONTRACTOR shall report to COUNTY:

34.4.1 Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.

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

34.4.3 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.

34.4.4 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 Agreement.

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

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

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

34.6.2 CONTRACTOR providing evidence submitted by subcontractors evidencing that sub-contractors maintain the required insurance coverage. COUNTY retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

35.0 INSURANCE COVERAGE REQUIREMENTS

35.1 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

35.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than $1 million for each accident. Such insurance shall include coverage for all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto," and include a deductible no greater than $1,000 in accordance with County Code (Section 2.38.060).

35.3 Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which CONTRACTOR is responsible. If CONTRACTOR's employees will 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

35.4 Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than $1 million per occurrence and $2 million aggregate. The coverage also shall provide an extended two-year reporting period commencing upon termination or cancellation of this Agreement.

36.0 INDEPENDENT CONTRACTOR STATUS

This Agreement 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 Agreement 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 Agreement.

37.0 CONFIDENTIALITY

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 Agreement. All employees of CONTRACTOR who have access to confidential records and data must sign and adhere to the attached "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit C. CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.

Notifications are to be forwarded to:

DCFS – Office of Risk Management
425 Shatto Place, Room 603
Los Angeles, CA 90020
(213) 351-5704

38.0 COVENANT AGAINST CONTINGENT FEES

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

For breach or violation of this covenant, COUNTY shall have the right to terminate this Agreement 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.

39.0 SUSPENSION OF INTAKE (DO NOT REFER)

Notwithstanding any other provision of this Agreement, the COUNTY retains the right to suspend referrals of children to CONTRACTOR at any time at its sole discretion. To the extent possible and reasonable and without interfering with any law enforcement investigation, the COUNTY will discuss the reason(s) for suspension of referral with the CONTRACTOR verbally and in a written letter at the time of the decision. The CONTRACTOR may discuss the recommendation or action with representatives from the COUNTY.

40.0 REMOVAL OF PLACED CHILDREN (DO NOT USE)

Notwithstanding any other provision of this Agreement, the COUNTY retains the right to remove or cause to be removed any or all placed children from the CONTRACTOR's facility, at its sole discretion, at any time that the COUNTY determines such action is in the best interest of the placed children. To the extent possible and reasonable and without interfering with any law enforcement investigation, the COUNTY will discuss the reason(s) for the removal of the placed children with the CONTRACTOR verbally and in a written letter at the time of the decision. The CONTRACTOR may discuss the recommendation or action with the attorney for the child and representatives from the COUNTY.

41.0 AUTHORIZATION WARRANTY

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

42.0 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 Agreement.

43.0 CRIMINAL CLEARANCES

43.1 For the safety and welfare of the children to be served under this Agreement, CONTRACTOR agrees, as permitted by law, to ascertain arrest and conviction records for all current and prospective employees, independent CONTRACTOR, volunteers or subcontractors who 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.

43.2 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 come in contact with children while providing services under this Agreement when such information becomes known to CONTRACTOR.

43.3 CONTRACTOR agrees to follow the requirements for criminal clearances found in California Health and Safety Code Section 1522 CONTRACTOR shall also perform a Child Abuse Index check for each of its employees.

43.4 CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (person required to register as controlled substance offenders) and those defined in the following Penal Code sections or any future Penal Code sections which address these crimes.

43.5 CONTRACTOR shall provide constant on-site supervision to staff working directly with children and families until all criminal clearances have been received, in accordance with this Section. COUNTY will assist CONTRACTOR in working with Community Care Licensing to ensure minimum waiting time for clearance.

43.6 CONTRACTOR shall immediately notify COUNTY of any Child Abuse Index check that indicates a name match, any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent CONTRACTOR, volunteer staff or subcontractor who come in contact with placed children while providing services under this Agreement when such information becomes known to CONTRACTOR.

44.0 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's Lobbyist Ordinance,

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 Agreement upon which COUNTY may, in its sole discretion, immediately terminate or suspend this Agreement.

45.0 CONSIDERATION OF HIRING FORMER COUNTY EMPLOYEES TARGETED FOR LAYOFF

Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement to perform 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 re-employment list during the term of this Agreement.

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

46.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement, 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. For this purpose, consideration shall mean that CONTRACTOR will interview qualified candidates. The COUNTY will refer GAIN/GROW participants by job category, to CONTRACTOR.

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

47.0 FORMER FOSTER YOUTH CONSIDERATION

47.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement, CONTRACTOR shall give third consideration (after COUNTY employees, and GAIN participants as described above) for any such position(s) to qualified former foster youth. For this purpose, consideration shall mean that CONTRACTOR will interview qualified candidates. CONTRACTOR shall notify COUNTY of any new or vacant position(s) within CONTRACTOR's firm by sending via mail or facsimile, a list denoting any position(s) for which hiring is anticipated to:

DCFS
Emancipation Services Division
3530 Wilshire Blvd., Suite 400
Los Angeles, California 90010
Attention: Dr. Jeff Dorsey
FAX: (213) 637-0035

47.2 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 applications)/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).

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

48.0 DISPUTE RESOLUTION

48.1 CONTRACTOR and COUNTY agree to act promptly and diligently to mutually resolve any disputes which may arise with respect to this Agreement. All such disputes shall be subject to the provisions of this Section 48.0

48.2 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.

48.3 In the event of any dispute between the parties with respect to this Agreement, CONTRACTOR's Administrator or designee and COUNTY's DCFS Quality Assurance Manager or Revenue Enhancement Payment Manager or Probation's Central Placement Consultant shall resolve such dispute within 30 days from the date of submission of dispute. Disputes shall be submitted in writing in accordance with Section 48.5 and delivered to the appropriate address below:

48.3.1 For payment issues, deliver to the Division Chief, Revenue Enhancement at the address listed in Section 9.1.

48.3.2 For all other issues involving DCFS, deliver to DCFS Out-of Home Care Division, at the address listed below:

DCFS
Out-of-Home Care Division
9320 Telstar Avenue
El Monte, CA 91731

48.3.3 For all issues involving the Probation Department, deliver to the Probation Department - Central Placement Office at the address listed below:

Probation Department
Central Placement Office
1605 Eastlake Avenue, Room 510
Los Angeles, CA 90033

48.4 In the event that the CONTRACTOR Administrator or Designee and County's Out-of-Home Care Division Chief or Payment Manager or Probation's Central Placement Consultant are unable to resolve the dispute within a reasonable time not to exceed thirty (30) working days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director or designee and COUNTY's Out-of-Home Care Division Chief or Revenue Enhancement Payment Division Chief or Probation's Placement Supervisor for further consideration and discussion to attempt to resolve the dispute.

48.5 In the event that the CONTRACTOR's Executive Director or designee and County's Out-of-Home Care Division Chief or Probation's Central Placement Consultant are unable to resolve the dispute within a reasonable time not to exceed thirty (30) days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director, or designee and to the Director of DCFS or Probation's Central Placement Regional Director (for purposes of this Section 48.5, hereinafter referred to as "COUNTY Director") for further consideration and discussion to attempt to resolve the dispute within fifteen (15) calendar days from the date of submission of dispute to their level. In the event no agreement is reached, the Director's decision shall stand. CONTRACTOR shall retain all rights to appeal the Director's decision through the filing of a claim pursuant to Los Angeles County Code, Title 4, Chapter 4.04.

48.6 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 48.0, 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).

48.7 Notwithstanding any other provision of this Agreement, COUNTY's right to terminate this Agreement pursuant to Section 25.0, Termination of Agreement for Default, Section 26.0, Termination for Convenience, or any other termination provision hereunder, and COUNTY's right to seek injunctive relief to enforce the provisions of Section 37.0, Confidentiality, shall not be subject to this Section 48.0, Dispute Resolution.

49.0 COUNTY RESPONSIBILITY

Except to the extent that the CONTRACTOR's ability to perform is dependent on the COUNTY's performance, CONTRACTOR's covenants and responsibilities under this Agreement shall not be conditional upon COUNTY's performance of the covenants contained in this Section 49.0.

49.1 COUNTY shall provide Community Care Licensing with DCFS CTF Program Statement Guideline Amendment for distribution to CONTRACTOR.

49.2 COUNTY shall carefully review for approval and acceptance, the CONTRACTOR's Program Statement and any Program Statement Amendments prior to and during the term of the Agreement. In addition, the COUNTY will monitor/audit the CONTRACTOR for compliance with the rules and regulations related to residential care programs for children including the Los Angeles COUNTY Foster Care Agreement.

49.3 CONTRACTOR shall be given reasonable access to appropriate personnel. CONTRACTOR shall be given pertinent documentation, information relevant to providing foster care services in accordance with DCFS Court Policy for confidentiality as currently written and as amended from time to time. CONTRACTOR shall hold all such information in confidence pursuant to the provisions of Section 37.0 in the body of this Agreement.

49.4 The COUNTY shall provide CONTRACTOR with all available information about the child that can be released with DCFS 4389 (4/94), Declaration In Support Of Access to Juvenile Records (WIC §827), on file in the case record at the time a referral is being made. The declaration shall indicate that the CONTRACTOR's request for information is for the purpose of assessing the ability of the CONTRACTOR to meet the placement needs of the child on an ongoing basis to meet the treatment needs of the child. This information will include, but not be limited to, medical, mental health, educational and placement history.

49.5 COUNTY shall arrange for the child to visit a potential placement prior to placement, when possible. If the CONTRACTOR, the child's COUNTY Worker and the child agree, the child may be admitted at the time of the pre-placement visit.

49.6 COUNTY Worker shall acknowledge in writing on appropriate form that orientation discussion with child and COUNTY Worker was completed. The orientation includes, but is not limited to, CONTRACTOR's house rules, grievance procedures, complaint procedures, etc.

49.7 COUNTY DCFS Worker shall provide CONTRACTOR with a placement packet including the MediCal card and Medical and Education Passport for the child at the time of placement. COUNTY Probation Worker shall provide CONTRACTOR with the MediCal card as soon as Probation Worker receives the MediCal card from DCFS. Medical Record Folder shall include a signed "routine medical treatment authorization" form.

49.8 COUNTY shall be responsible for obtaining clothing available to the child within two days of placement and, when applicable, issuing supplemental funds, in accordance with COUNTY regulations and limitations, to meet the child's needs based on the DCFS 2281 (rev 12/97), Sufficient Clothing Supply List. In addition, all emancipating youth shall be assured of four outfits suitable for school or work if his/her wardrobe at the time of emancipation does not include at least four outfits suitable for school or work.

49.9 COUNTY Workers shall work in conjunction with CONTRACTOR to develop the needs and services plan, which shall be consistent with the case plan/case plan update. The case plan/case plan updates shall include, but not be limited to, transitional independent living plan (TILP), handling of child's earnings, treatment goals and objectives, visitation plan, transportation needs and who is responsible for what. The DCFS Worker shall document the case plan/case plan update information on the DCFS 709, Foster Child's Needs and Case Plan Summary (original to CONTRACTOR) case plan/case plan update and SOC 154. Agency - Group Home Agreement (copy to CONTRACTOR).

49.10 COUNTY Worker shall document information received in verbal and written report(s) from the CONTRACTOR in the child's DCFS or Probation case record, prepare a case plan update as needed and incorporate the information in the next court report. The documentation of CONTRACTOR's verbal reports in the DCFS/Probation case record shall include, but not be limited to, who called, the date and a summary/highlights of the conversation indicating the type of verbal report received (monthly, special incident or emergent removal report).

49.11 COUNTY will follow State Division 31 Regulations on visitation of children in placement.

49.12 COUNTY Worker shall obtain parent or Court consent, as needed, for the child's medical care, participating in recreation activities, participation in school activities, etc.

50.0 CHILD SUPPORT COMPLIANCE PROGRAM

50.1 Contractor's Warranty Of Adherence To County's Child Support Compliance Program

50.1.1 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.

50.1.2 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 Agreement maintain in 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 Child Support Services Department (CSSD) Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

50.2 Termination For Breach Of Warranty To Maintain Compliance With County's Child Support Compliance Program

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Section .50.1, Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this contract. Without limiting the rights and remedies available to COUNTY under any other provision of this contract, failure CONTRACTOR to cure such default within 90 calendar days of written notice shall be grounds upon which COUNTY may terminate this contract pursuant to Section 25.0, Termination of Agreement for Default, and pursue debarment of CONTRACTOR, pursuant to County Code Chapter 2.202.

51.0 INTENTIONALLY LEFT BLANK

52.0 NOTICE OF DELAYS

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

53.0 USE OF RECYCLED-CONTENT PAPER

Consistent with the Board of Supervisor's policy to reduce the amount of solid waste deposited at the County landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on this Agreement.

54.0 REAL PROPERTY, EQUIPMENT, FIXED ASSETS

54.1 A Fixed Asset is defined as an article of nonexpendable tangible personal property having a useful life of more than two years and an acquisition cost of $5,000 or more of COUNTY funds per unit capitalized.

54.2 CONTRACTOR shall fully comply with all applicable federal, State, and County laws, ordinances, and regulations in acquiring any and all furniture, fixtures, equipment, materials, and supplies with funds obtained under this Agreement.

54.3 CONTRACTOR shall, for any real estate or land or Fixed Asset costing $35,000 or more of funds provided to CONTRACTOR through this Agreement, obtain COUNTY's prior written approval by notifying COUNTY by certified mail. COUNTY shall, within 15 working days of receipt of any such request for approval, provide a written response to CONTRACTOR by certified mail. If COUNTY's response is not received within 15 working days, CONTRACTOR will notify the Chief Deputy for DCFS.

54.4 Upon obtaining COUNTY's prior written approval, the items referenced in Section 54.3 may be purchased and owned by CONTRACTOR. If such prior written approval is not obtained by CONTRACTOR, title to the items referenced in Section 54.3 will vest with COUNTY. All Fixed Assets not requiring COUNTY's prior written approval as described in Section 54.3 shall be deemed owned by CONTRACTOR.

55.0 COMMUNITY BUSINESS ENTERPRISES PROGRAM

In accordance with COUNTY policy, CONTRACTOR has submitted a true and correct copy of Certification Application.

56.0 CLIENT GRIEVANCES

CONTRACTOR shall establish a written procedure to resolve client grievances. The grievance procedures shall be outlined in CONTRACTOR's Program Statement.

57.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

57.1 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.

57.2 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 the Agreement, debar the CONTRACTOR from bidding or proposing on, or being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the CONTRACTOR may have with the COUNTY.

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

57.4 If there is evidence that the CONTRACTOR may be subject to debarment, the Department will notify the CONTRACTOR in writing of the evidence, which is the basis for the proposed debarment and will advise the

CONTRACTOR of the scheduled date for a debarment hearing before the Contractor Hearing Board.

57.5 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 tentative proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred, and if so, the appropriate length of time of the debarment. The CONTRACTOR and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

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

57.7 If a CONTRACTOR has been debarred for a period longer than five years, that CONTRACTOR may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.

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

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

57.9 These terms shall also apply to Subcontractors of COUNTY Contractors.

58.0 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 N.

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

59.1 The Director shall be responsible for the enforcement of this Agreement on behalf of COUNTY and shall be assisted therein by those officers and employees of COUNTY having duties in connection with the administration thereof. Director hereby reserves the right to assign such personnel as are needed to serve as Program Manager 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 Agreement.

59.2 CONTRACTOR hereby agrees to cooperate with the Director, Program Manager, 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.

59.3 The COUNTY or its agent will evaluate CONTRACTOR's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing CONTRACTOR's compliance with all contract terms and performance standards. CONTRACTOR deficiencies which COUNTY determines are severe or continuing and that may place performance of the Agreement 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 consistent with the corrective action measure, COUNTY may terminate this Agreement or impose other penalties as specified in this Agreement.

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

59.5 CONTRACTOR shall prepare and submit to County's Program Manager 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:

59.5.1 Description of services and/or deliverables rendered during the period; dollar amount of services rendered during the period; dollar balance remaining under the Agreement; and any difficulties encountered that could jeopardize the completion of the project or milestones or deliverables within the schedule.

60.0 COMPLIANCE WITH JURY SERVICE PROGRAM

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

60.1 Written Employee Jury Service Policy

60.1.1 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.

60.1.2 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 Agreement, the subcontractor shall also be subject to the provisions of this Section 60.0. The provisions of this Section 60.0 shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the Agreement.

60.1.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Agreement 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 Agreement and at it 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.

60.1.4 CONTRACTOR's violation of this Section 60.0 of this Agreement may constitute a material breach of this Agreement. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Agreement and/or bar CONTRACTOR from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

61.0 SAFELY SURRENDERED BABY LAW

61.1 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

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

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

61.2.1 The CONTRACTOR acknowledges that the COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law. The 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. The CONTRACTOR will also encourage its subcontractors, if any, to post this poster in a prominent positioning 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.

62.0 INTERPRETATION OF CONTRACT

62.1 Validity

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

62.2 Governing Laws, Jurisdiction and Venue

This Agreement 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 Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California.

62.3 Waiver

Any waiver by COUNTY of any breach of any one or more of the covenants, conditions, terms and agreements herein contained 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 agreement 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 agreements herein contained be construed as in any manner changing the terms of this Agreement or stopping COUNTY from enforcing the full provisions thereof.

Captions and Section headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

63.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

63.1 CONTRACTOR's Program Director

63.1.1 CONTRACTOR's Program Director is designated in Exhibit J, CONTRACTOR's Administration. The CONTRACTOR shall notify the COUNTY in writing of any change in the name or address of the CONTRACTOR's Program Director.

63.1.2 CONTRACTOR's Program Director shall be responsible for CONTRACTOR's day-to-day activities as related to this Agreement and shall coordinate with COUNTY's Program Manager and Program Monitor on a regular basis.

63.2 Approval of CONTRACTOR's Staff

COUNTY has the absolute right to approve or disapprove all of CONTRACTOR's staff performing work hereunder and any proposed changes in CONTRACTOR's staff, including, but not limited to, CONTRACTOR's Program Director.

63.3 CONTRACTOR's Staff Identification

CONTRACTOR shall provide, at CONTRACTOR'S expense, all staff providing services under this Agreement with a photo identification badge.

63.4 Background and Security Investigations

63.4.1 At any time prior to or during term of this Contract, the COUNTY may require that all CONTRACTOR staff performing work under this Agreement undergo and pass, to the satisfaction of COUNTY, a background investigation, as a condition of beginning and continuing to work under this Agreement. COUNTY shall use its discretion in determining the method of background clearance to be used, up to and including a COUNTY performed fingerprint security clearance. The fees associated with obtaining the background

information shall be at the expense of the CONTRACTOR, regardless if the CONTRACTOR's staff passes or fails the background clearance investigation.

63.4.2 COUNTY may request that CONTRACTOR's staff be immediately removed from working on the COUNTY Contract at any time during the term of the Contract. COUNTY will not provide to CONTRACTOR or to CONTRACTOR's staff any information obtained through the COUNTY conducted background clearance.

63.4.3 COUNTY may immediately deny or terminate facility access to CONTRACTOR's staff who do not pass such investigation(s) to the satisfaction of the COUNTY whose background or conduct is incompatible with COUNTY facility access, at the sole discretion of the COUNTY.

63.4.4 Disqualification, if any, of CONTRACTOR staff, pursuant to this Sub-section 63.4 shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Agreement.

63.5 Confidentiality

63.5.1 CONTRACTOR shall maintain the confidentiality of all records and information, including the terms and conditions of the Agreement, events or circumstances which occur during the course of CONTRACTOR's performance under the Agreement, billings, COUNTY records, patient records, and other information obtained from the COUNTY under this Agreement in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

63.5.2 CONTRACTOR shall not reproduce, distribute, or disclose to any person or entity any information identifying, characterizing, or relating to any risk, threat, vulnerability, weakness, or problem regarding data security or maintenance in COUNTY's computer systems, or to any safeguard, countermeasure, or contingency plan, policy or procedure for data security contemplated or implemented by COUNTY, without COUNTY's prior written consent.

63.5.3 CONTRACTOR shall inform all of its directors, officers, shareholders, employees, agents and Subcontractors providing services hereunder of the confidentiality provisions of this Agreement.

63.5.4 CONTRACTOR shall cause each employee performing services covered by this Agreement to sign and adhere to Exhibit C, "CONTRACTOR's Employee Acknowledgment and Confidentiality Agreement".

63.5.5 CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.

63.5.6 CONTRACTOR agrees to notify COUNTY in writing within twenty-four (24) hours of any actual or suspected misuse, misappropriation, unauthorized disclosure of, or unauthorized access to Confidential Information that may come to CONTRACTOR's attention, and that includes unauthorized access to CONTRACTOR's computer or computers (including those of any Subcontractor involved in the Relationship) containing CONTRACTOR's or COUNTY's Confidential Information related to this Contract, including names and information of referred clients. Unauthorized access may include a virus or worm that penetrates and gains access to a computer and places a back door or keystroke logger on it, or a directed hack/crack that gains access to and some control over a computer.

63.5.7 CONTRACTOR 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.

64.0 ADMINISTRATION OF CONTRACT – COUNTY

A listing of all COUNTY Administration referenced in the following Sub-sections is designated in Exhibit K, COUNTY's Administration. The COUNTY shall notify the CONTRACTOR in writing of any change in the names or addresses shown.

64.1 COUNTY's Program Director

Responsibilities of the COUNTY's Program Director include:

- ensuring that the objectives of this Agreements are met;
- making changes in the terms and conditions of this Agreements in accordance with Section 5.0, Change Notice and Amendments; and
- providing direction to CONTRACTOR in the areas relating to COUNTY policy, information requirements, and procedural requirements

64.2 COUNTY's Program Manager

The responsibilities of the COUNTY's Program Manager include:

- meeting with CONTRACTOR's Program Manager on a regular basis; and

- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of CONTRACTOR.

The COUNTY's Program Manager is not authorized to make any changes in any of the terms and conditions of this Agreements and is not authorized to further obligate COUNTY in any respect whatsoever.

64.3 COUNTY's Contract Program Monitor

The COUNTY's Program Monitor is responsible for overseeing the day-to-day administration of this Agreement. The Program Monitor reports to the COUNTY's Program Manager.

65.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring CONTRACTORS to complete the certification in Exhibit L, the County seeks to ensure that all COUNTY CONTRACTORs, which receive or raise charitable contributions comply with California law in order to protect the COUNTY and its taxpayers. A CONTRACTOR, which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202).

66.0 BUDGET REDUCTION

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 during the term of this Agreement, (including any extensions), and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced correspondingly. 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. Except as set forth in the

preceding sentence, the CONTRACTOR shall continue to provide all of the services set forth in this Agreement.

67.0 HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA)

67.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that it is a "*Covered Entity"* under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.

67.2 The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations related to *transactions and code sets, privacy, and security.* Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

67.3 Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of HIPAA law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees and agents) for its failure to comply with HIPAA.

67.4 Contractor and County understand and agree that HIPAA has imposed additional requirements in regards to changes in DMH's IS (IS refers to Integrated System).

67.4.1 County desires to clarify IS terminology under this Agreement as it relates to HIPAA, and accordingly, has set forth in Exhibit P, Crosswalk Fact Sheet, a "crosswalk" of technical terms, definitions and language to be used with this Agreement.

67.4.2 County has added to the DMH Provider Manual an Electronic Data Interchange/Direct Data Entry (ED/DDE) selection and General Requirements Agreement, which includes the method in which contractor or its Subcontractor(s) elects to submit HIPAA-compliant transactions and requirements for these transactions.

67.4.3 County has added to the DMH Provider Manual a Trading Partner Agent Authorization Agreement which includes the Contractor's authorization to its Subcontractor(s) to submit HIPAA-compliant transactions on behalf of Contractor.

67.5 Contractor understands and agrees that if it uses the services of an Agent in any capacity in order to receive, transmit, store or otherwise process Data or Data Transmissions or perform related activities, the Contractor own acts, failures, or omissions.

67.6 Contractor further understands and agrees that the terms and conditions of the current Trading Partner Agreement (TPA) set forth in the DMH Provider Manual shall apply to this Agreement and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES,
DEPARTMENT OF MENTAL HEALTH, AND PROBATION DEPARTMENT
COMMUNITY TREATMENT FACILITY AGREEMENT

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Agreement to be subscribed on its behalf by the Director of the Department of Children and Family Services, the Director of the Department of Mental Health, and the Chief Probation Officer, and CONTRACTOR has caused this Amendment 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 _____
David Sanders, Ph.D., Director
Department of Children and
Family Services

By _____
Marvin J. Southard, D.S.W., Director
Department of Mental Health

By _____

Robert B. Taylor, Chief Probation Officer
Probation Department

VISTA DEL MAR CHILD AND
FAMILY SERVICES

By _____

Name _____

Title _____

By _____

Name _____

Title _____

_____
Tax Identification Number

APPROVED AS TO FORM:
BY THE OFFICE OF COUNTY COUNSEL
RAYMOND G. FORTNER, JR., County Counsel

BY _____
Janice Kasai, Deputy County Counsel

EXHIBIT A

STATEMENT OF WORK

COMMUNITY TREATMENT FACILITY AGREEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES,
DEPARTMENT OF MENTAL HEALTH, AND PROBATION DEPARTMENT
COMMUNITY TREATMENT FACILITY AGREEMENT

STATEMENT OF WORK

TABLE OF CONTENTS

SECTION		PAGE
A.	PREAMBLE	1
B.	GENERAL REQUIREMENTS AND DESCRIPTION	4
1.0	INTRODUCTION	4
2.0	CONTRACTOR'S MANAGEMENT REQUIREMENTS	4
3.0	MANAGEMENT ORGANIZATION	5
C.	CONTRACTOR'S RESPONSIBILITIES	6
1.0	PROGRAM STATEMENT	6
2.0	LOCATION OF FACILITY AND CHILDREN	7
3.0	PLANNED ACTIVITIES	7
4.0	EDUCATION AND EDUCATIONAL PASSPORT	8
5.0	INDEPENDENT LIVING PROGRAM/EMANCIPATION PLANNING	11
6.0	MEDICAL, DENTAL AND PSYCHIATRIC CARE	13
7.0	TRANSPORTATION	19
8.0	INTAKE AND DISCHARGE	19
9.0	CHILDREN'S RECORDS	22
10.0	NEEDS AND SERVICES PLAN	22
11.0	PSYCHOSOCIAL SUPPORT/PSYCHOLOGICAL CARE	25
12.0	QUALITY OF LIFE	25
13.0	LEGAL PERMANENCY	26
14.0	WRITTEN REPORTS	26
15.0	ORAL REPORTS/TELEPHONE CONTACT	29
16.0	RESIDENT CARE DAYS	29
17.0	VISITATION PLAN	29
18.0	PLACEMENT AND ORIENTATION	30
19.0	ALLOWANCE AND BANK ACCOUNTS	30
20.0	CHORES	31
21.0	FOOD	32
22.0	CLOTHING	32
23.0	PERSONAL NEEDS	35
24.0	SUPERVISION	36
25.0	STAFFING	36
26.0	HOUSING AND LIVING ENVIRONMENT	36
27.0	HEALTH AND SAFETY	37

COUNTY OF LOS ANGELES COUNTY
DEPARTMENT OF CHILDREN AND FAMILY SERVICES,
DEPARTMENT OF MENTAL HEALTH, AND PROBATION DEPARTMENT
COMMUNITY TREATMENT FACILITY AGREEMENT

STATEMENT OF WORK

A. PREAMBLE

For over a decade, the 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
- Professionalism
- Accountability
- Compassion
- Integrity
- Commitment
- A Can-Do Attitude
- Respect for Diversity

These shared values are encompassed in the County Strategic Plan's eight goals: 1) Service Excellence; 2) Workforce Excellence; 3) Organizational Effectiveness; 4) Fiscal Responsibility; 5) Children and Families' Well-Being; 6) Community Services; 7) Health and Mental Health; and 8) Public Safety. 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:

- ✓ Families are treated with respect in every encounter they have with the health, educational, and social services systems.

- ✓ Families can easily access a broad range of services to address their needs, build on their strengths, and achieve their goals.

- ✓ There is no "wrong door": wherever a family enters the system is the right place.

- ✓ Families receive services tailored to their unique situations and needs.

- ✓ Service providers and advocates involve families in the process of determining service plans, and proactively provide families with coordinated and comprehensive information, services, and resources.

- ✓ The County service system is flexible, able to respond to service demands for both the Countywide population and specific population groups.

- ✓ The County service system acts to strengthen communities, recognizing that just as individuals live in families, families live in communities.

- ✓ In supporting families and communities, County agencies work seamlessly with public and private service providers, community-based organizations, and other community partners.

- ✓ County agencies and their partners work together seamlessly to demonstrate substantial progress towards making the system more strength-based, family-focused, culturally-competent, accessible, user-friendly, responsive, cohesive, efficient, professional, and accountable.

- ✓ County agencies and their partners focus on administrative and operational enhancements to optimize the sharing of information, resources, and best practices while also protecting the privacy rights of families.
- ✓ County agencies and their partners pursue multi-disciplinary service delivery, a single service plan, staff development opportunities, infrastructure enhancements, customer service and satisfaction evaluation, and revenue maximization.

- ✓ County agencies and their partner create incentives to reinforce the direction toward service integration and a seamless service delivery system.

- ✓ The County human service system embraces a commitment to the disciplined pursuit of results accountability across systems. Specifically, any strategy designed to improve the County human services system for children and families should ultimately be judged by whether it helps achieve the County's five outcomes for children and families: good health, safety and survival, economic well being, social and emotional well-being, and education and workforce readiness.

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.

B. GENERAL REQUIREMENTS AND DESCRIPTION

This Section provides the general requirements that the CONTRACTOR shall meet, including specific responsibilities specified herein, for the Community Treatment Facility Agreement (Agreement). Terms used in this Statement of Work shall have the same meaning given in the Agreement.

1.0 INTRODUCTION

The Board of Supervisors through this Agreement gives authorization for the placement of Probation wards, Dependent minors, and Department of Mental Health (DMH) clients. Specific responsibility for the care, custody, control and conduct of each Ward is given to the Probation Department and each Dependent is given to DCFS by the Superior Court.

2.0 CONTRACTOR'S MANAGEMENT REQUIREMENTS

2.1 CONTRACTOR shall maintain contact with COUNTY as necessary to comply with this Agreement. Such contact shall be the responsibility of CONTRACTOR's Project Manager, or his/her designee.

2.2 CONTRACTOR shall provide information to support development and implementation of foster care resources as requested by COUNTY Program Manager.

2.3 CONTRACTOR shall notify COUNTY Program Manager in writing of any planned changes or absences that would result in CONTRACTOR or CONTRACTOR's designated representative not being available to COUNTY.

2.4 CONTRACTOR is not authorized to conduct negotiations under this Agreement on behalf of COUNTY and/or the Department of Probation and DCFS and DMH.

2.5 CONTRACTOR shall conduct business as necessary to accomplish CONTRACTOR's responsibilities pursuant to this Agreement including all exhibits and attachments. CONTRACTOR shall meet all the requirements of Division 6, Chapter 5, Section 84172 of Title 22.

2.6 Overall coordination and implementation between CONTRACTOR and COUNTY shall be through the COUNTY Program Managers listed below in Section 3.1.

3.0 MANAGEMENT ORGANIZATION

COUNTY has designated Program Managers to administer this Agreement, monitor CONTRACTOR's activities and provide technical assistance to ensure that CONTRACTOR meets or exceeds the Agreement requirements. The COUNTY'S Program Managers oversee the activities of the CONTRACTOR.

3.1 COUNTY's Management Organization

For the term of this Agreement the COUNTY'S Program Managers shall be:

Department of Children and Family Services,
Division Chief, Out-of-Care Programs
Or his/her designated representative

and

Probation Placement Director
Central Placement Unit
Or his/her designated representative

and

Department of Mental Health
District Chief, Countywide Interagency Program

Or his/her designated representative

3.2 CONTRACTOR's Management Organization

For the term of this Agreement the CONTRACTOR's Project Manager shall be the CONTRACTOR's foster care program administrator.

C. CONTRACTOR'S RESPONSIBILITIES

1.0 PROGRAM STATEMENT

The CONTRACTOR shall adhere to the detailed Program Statement and any amendments thereto, submitted by the CONTRACTOR and approved by COUNTY.

1.1 The CONTRACTOR may, during the term of the Agreement, provide to the COUNTY Program Statement Amendment(s) that reflects any changes in the CONTRACTOR's program. Such Amendments shall be submitted to COUNTY Program Manager or designee for approval and, if accepted, shall be incorporated by Change Notice in accordance with Section 5.0 of the Agreement.

CONTRACTOR understands that the COUNTY shall possess the CONTRACTOR's current Program Statement as part of this Agreement.

1.2 The COUNTY may, during the term of this Agreement, request that CONTRACTOR make revisions to Program Statement by notifying the CONTRACTOR in writing. COUNTY shall review such Program Statement revisions for approval and once accepted by COUNTY, CONTRACTOR's revised Program Statement shall be incorporated by Change Notice in accordance with Section 3.0 of the Agreement.

1.3 Community Treatment Facility License(s)

1.3.1 CONTRACTOR shall maintain a California Department of Social Services (CDSS), Community Care Licensing (CCL), Community Treatment Facility (CTF) License(s) throughout the term of this Agreement and a copy of the current license shall be included in the Program Statement.

1.3.2 If planning to expand or reduce the licensed capacity, add additional sites, or change the age range of placed children served during the term of this Agreement, CONTRACTOR

shall contact the appropriate COUNTY Program Manager for consultation prior to contacting CDSS-CCL.

1.4 The CONTRACTOR shall maintain a Foster Care Funding and Rates Bureau community treatment facility rate throughout the term of this Agreement, and a copy of the current rate letter shall be included in the Program Statement.

2.0 LOCATION OF FACILITY AND PLACED CHILDREN

2.1 CONTRACTOR agrees that it shall provide services pursuant to this Agreement only at those sites or homes that are listed in CONTRACTOR's Program Statement (Exhibit B). In the event a child is moved from one site or home to another site or home within CONTRACTOR's program or moved from a non-secure portion of the facility to a secure portion of the facility, CONTRACTOR shall do so only after contacting the COUNTY Worker and receiving prior authorization. CONTRACTOR shall document contact and request written/faxed confirmation from the COUNTY Worker (Sections 84168.4(b)(2) and 84168.4(c)(1) of Title 22). To the extent that prior authorization is not documented by CONTRACTOR, CONTRACTOR is at risk of non-payment of such placement.

2.2 In the event of an emergency, CONTRACTOR may move a placed child without prior authorization from the child's COUNTY Worker. An emergency is defined as any situation that threatens the health or safety of the child or others in the home/site. CONTRACTOR shall notify child's COUNTY Worker of the move as soon as possible but no later than 24 hours after such move. CONTRACTOR shall discuss the situation with the placed child's COUNTY Worker. CONTRACTOR shall document the conversation in the child's record and comply with COUNTY Worker's decision regarding child's placement status.

2.3 The COUNTY shall not unreasonably withhold or delay authorization for CONTRACTOR to move a child from one site or home to another or from a non-secure portion of the facility to a secure portion of the facility.

3.0 PLANNED ACTIVITIES

CONTRACTOR shall provide age-appropriate planned activities as outlined in Division 6, Chapter 5, Section 84079 of Title 22 and encourage participation of every placed child.

3.1 Planned Activities Schedule

In addition to the requirements of Section B.4.3.2, CONTRACTOR shall develop and post a schedule of specific planned recreational

and educational activities for residents. Planned activities shall include indoor and outdoor activities, field trips, and outings. A planned activities schedule will provide for a balance of activities on weekdays and weekends.

3.2 Free Time Activities

CONTRACTOR shall provide equipment and supplies for daily free time activities such as reading material, games, radio, etc., appropriate to the placed child's age and development. CONTRACTOR shall allow placed children to participate in self-chosen activities if they are appropriate.

3.3 Childhood Memories

CONTRACTOR shall encourage and assist each placed child in creating and updating a life book/photo album. The life book/photo album shall consist of, but not be limited to photographs and other items that relate to childhood memories. CONTRACTOR shall encourage and assist each placed child in updating the life book on a quarterly basis.

CONTRACTOR shall ensure that the placed child's life book is passed on to next provider at the same time as the Medical and Educational Passport.

4.0 EDUCATION AND EDUCATIONAL PASSPORT

4.1 Evaluation of Child's Educational Needs

CONTRACTOR shall communicate with and work with the school/school district to determine and meet the placed child's educational program needs. CONTRACTOR shall work with the school to determine and meet the placed child's educational program needs in accordance with the needs and services plan and court order(s).

4.2 Provision of Educational Services

CONTRACTOR shall communicate with and work with the school in meeting the educational needs of the placed child. This includes identification of a specific staff person to represent each placed child at Individual Education Plan (IEP) meetings, parent-teacher conferences, open houses, or any other pertinent activity in accordance with the needs and services plan. CONTRACTOR

shall encourage and assist the placed child to participate in school activities.

CONTRACTOR shall document all the above-mentioned activities in the child's case record.

4.3 Daily Homework/Cognitive Developmental Stimulation

4.3.1 CONTRACTOR shall assist the placed child to understand and complete his/her homework.

4.3.2 CONTRACTOR shall also ensure that the placed child engages in other sorts of age-appropriate cognitive developmental intellectual stimulation for an average of two hours per day, on a weekly basis in accordance with the child's needs and services plan. Cognitive developmental intellectual stimulation involves activities that focus on areas of the placed child's assessed educational needs, strengths and areas of interest. This may include a job, computer access time, tutoring, visits to the library or museums, reading, arts, crafts, music, drama, coordination activities, attendance at resident council meetings, and other extra curricular activities.

This requirement may be modified for developmentally disabled or seriously emotionally disturbed placed children according to the needs and services plan approved by the COUNTY Worker.

4.3.3 CONTRACTOR shall facilitate tutoring, as necessary, to improve a placed child's basic skills in the areas needed.

4.3.4 CONTRACTOR shall have a schedule that indicates time allotted for daily homework cognitive developmental stimulation.

4.4 Partnerships with Teachers

CONTRACTOR shall work with placed child's teachers and academic counselor to monitor educational progress, attendance, development, educational level, behavior assessment of strengths and weaknesses, and the overall academic achievement.

CONTRACTOR shall solicit recommendations from the teacher and provide activities that will promote the placed child's progress and

intellectual development. CONTRACTOR shall report tutoring needs to the COUNTY Worker.

4.4.1 CONTRACTOR shall make diligent efforts to enroll each placed child in school within three (3) days of placement. Such efforts shall be documented and reported to the COUNTY Worker if the placed child is not enrolled in school after this time.

CONTRACTOR shall report if the placed child's attendance is not regular.

4.4.2 CONTRACTOR shall document and report any contacts initiated by school officials to the COUNTY Worker, or to the parent(s) for a resident placed per AB 3632 or Chapter 26.5 of the California Government Code (Chapter 26.5 resident), regarding the following issues:

4.4.2.1 Child's attendance.

4.4.2.2 Scholastic issues affecting the placed child, including the need for special/remedial programs.

4.4.2.3 Child's behavior.

4.4.2.4 Child's health.

4.4.2.5 Suspension or discipline of the placed child.

4.4.2.6 Credits.

4.4.2.7 Strengths of the placed child.

4.5 Education Passport

COUNTY Worker will provide CONTRACTOR with the placed child's Medical and Educational Passport, or the equivalent, at the time of placement. CONTRACTOR shall maintain the placed child's Passport, or the equivalent, updating with relevant information regarding school placement, attendance, and performance, academic achievement and, where applicable, IEP and/or special education services provided.

CONTRACTOR will provide the updated Passport, or the equivalent, to the COUNTY Worker at the time the placed child departs from the CONTRACTOR's program or provide Passport, or the equivalent, within 3 days to COUNTY or COUNTY Worker if

COUNTY Worker is not present at the time of placed child's removal.

4.6 Acceptance of Children Based on Education Setting

CONTRACTOR shall work with the appropriate public school district in order to determine the most appropriate and least restrictive educational setting for each placed child. CONTRACTOR shall not base acceptance of a child for placement solely on his/her qualification for non-public school.

4.7 Education Related Activities

CONTRACTOR shall ensure that each placed child receives school photos and uniforms, when appropriate, and the appropriate clothing and other necessary items to attend his/her prom(s) and graduation(s).

5.0 INDEPENDENT LIVING PROGRAM/EMANCIPATION PLANNING

The requirements for independent living and emancipation planning are outlined in DCFS Policy #OHC 97-05, "Emancipation Planning For Youths in Out-of Home Care." These requirements may be modified for physically and developmentally disabled youths or youths mentally unable to benefit from a Transitional Independent Living Plan (TILP) in accordance with the needs and services plan approved by COUNTY Worker. These requirements are included here [*with additional COUNTY requirements in brackets*].

5.1 CONTRACTOR shall include a detailed description of the emancipation planning services provided in the CONTACTOR's program statement.

5.2 CONTRACTOR SHALL participate as a core team member.

5.3 CONTRACTOR shall develop and document an individualized emancipation plan for each youth 14 years or older in conjunction with COUNTY Worker. [CONTRACTOR shall require that youth age 14 and older attend workshops or classes related to emancipation skills including the Early Start to Emancipation Preparation program (ESTEP) for DCFS youths 14-15 years old if that is part of the Transitional Independent Living Plan (TILP).]

5.4 CONTRACTOR shall work in conjunction with the COUNTY Worker to implement the individualized emancipation plan (e.g., arrange for specific services, job preparedness, life skills, training classes, etc.) [CONTRACTOR shall identify and assist the youth to become

knowledgeable about those resources necessary to meet the youth's emancipation goals such as vocational training programs and other emancipation-related programs.]

5.5 CONTRACTOR shall assist youth in the implementation of his/her section of the case plan.

5.6 CONTRACTOR shall assist youth with sufficient and appropriate clothing for school, work, etc.; obtain employment; develop money management and savings skills; local housing resources; arrange and coordinate transportation.

5.7 CONTRACTOR shall assist youth in the completion of the DCFS 5205B, "Emancipation Preparation Contracts" [quarterly].

5.8 CONTRACTOR shall assist COUNTY Worker with information to complete the DCFS assessment guide (DCFS 414).

5.9 CONTRACTOR shall follow up on school progress; attend and establish partnerships with teachers. [CONTRACTOR shall assist placed youth in applying to colleges and/or vocational schools and for financial aid to cover educational expenses.]

5.10 CONTRACTOR shall develop specific on-site emancipation programs in addition to linkages with other public/private transitional opportunities. [CONTRACTOR shall develop and implement a plan that provides opportunities for all placed youths to learn how to: Plan, shop for and prepare balanced meals; purchase, clean, mend and store appropriate clothing; clean house; use public transportation; apply for and obtain jobs. This plan should also include opportunities to learn basic survival skills and interpersonal and social skills in accordance with the developmental expectations of the placed youth.]

5.11 CONTRACTOR shall develop and/or facilitate the provision of ILP-equivalent services for youths unable to participate in mainstream ILP classes. [CONTRACTOR shall refer youth able to participate in the mainstream ILP classes to the DCFS ILP program.]

5.12 CONTRACTOR shall coordinate with the COUNTY Worker to provide discharge planning/post-planning living arrangements, when applicable [e.g., assisting youth to establish connections in the communities to which they will be going after placement to meet their counseling, educational, medical, spiritual, and transportation needs.]

5.13 CONTRACTOR shall facilitate childcare network/support system (for youths with children) to enable youth to participate in employment or ILP experiences.

5.14 CONTRACTOR shall arrange transportation to all emancipation readiness activities, job, and school, when applicable.

5.15 CONTRACTOR shall provide emancipation training for the staff that is compatible with COUNTY policy.

5.16 [CONTRACTOR shall assist youth in opening emancipation saving accounts in addition to any other savings accounts.]

6.0 MEDICAL, DENTAL AND PSYCHIATRIC CARE

CONTRACTOR shall meet the medical needs of the placed child in accordance with the Child Health Disability Prevention Program, Medi-Cal program and the following regulations: Sections 80075, 84075, and 84175.1 of Title 22; Sections 1921(c)-(e), 1927(b)(5), 1927(d)(3), 1927(j)(3) and (5), 1928, 1929(d)(1), 1929(d)(2)(C) and 1929(d)(11) of Title 9; and Sections 5325(f)-(h) and 5325.2 of the Welfare and Institutions Code. CONTRACTOR shall be responsible to facilitate each placed child's receipt of necessary medical, dental and psychiatric care.

COUNTY shall provide CONTRACTOR with a Medi-Cal card for each eligible placed child except for Chapter 26.5 residents who may not be eligible for Medi-Cal.

6.1 Medi-Cal Card

CONTRACTOR shall control the use of the Medi-Cal card. CONTRACTOR shall immediately contact the Foster Care Hotline (1-800-697-4444) and notify COUNTY Worker if a placed child does not have a Medi-Cal card except for Chapter 26.5 residents who may not be eligible for Medi-Cal.

6.2 Reimbursement

6.2.1 CONTRACTOR shall comply with all applicable Medi-Cal regulations and requirements and exercise diligence in obtaining Medi-Cal authorization. CONTRACTOR shall bill the Medi-Cal program for all eligible medical, dental and psychiatric care costs, for children placed by COUNTY under this Agreement.

CONTRACTOR shall bill parent's private medical insurance carrier for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.2.2 For any services not eligible for Medi-Cal reimbursement, CONTRACTOR shall, to the extent feasible, obtain medical, dental or psychiatric care services for the placed child through a COUNTY or COUNTY contract facility.

6.2.3 For any non-emergency services not eligible for Medi-Cal reimbursement and not obtainable at a COUNTY or COUNTY contract facility, CONTRACTOR must receive pre-approval from the COUNTY Worker prior to obtaining such services. If COUNTY Worker is not available, CONTRACTOR may contact COUNTY Worker's supervisor for pre-approval. For Probation, CONTRACTOR may contact the Central Placement supervisor.

CONTRACTOR shall obtain parental consent and insurance carrier authorization for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.3 Routine Medical Care

6.3.1 CONTRACTOR shall ensure that a Child Health Disability Prevention (CHDP) provider doctor or a doctor who does CHDP equivalent exams do the initial medical assessment, care, and follow through. Children under two years of age are to receive medical exams at one, two or three month intervals based on age per the CHDP Health Assessment Procedures Required for Various Age Groups. Children 2 – 17 years are to receive a medical exam annually within 30 days of the anniversary of placement at the facility.

The parent(s) is responsible for medical costs and for obtaining a pre-admission medical exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.3.2 CONTRACTOR shall employ an on-going system that monitors the immunization and routine health care status of all placed children and accurately reflects status in the medical record folder.

6.3.3 CONTRACTOR shall establish guidelines for isolating placed children with infectious illnesses within the facility.

6.3.4 To the extent reimbursed by Medi-Cal or otherwise reimbursed by COUNTY, CONTRACTOR shall ensure that placed youth receive a routine physical exam, any needed medical care, and information and instructions on any on-going medical treatment or medications needed within the three-month period prior to emancipation.

The parent(s) is responsible for medical costs and for obtaining a pre-discharge medical exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.4 Personal Hygiene Education

CONTRACTOR shall provide age-appropriate instructions in proper grooming and personal hygiene including, but not limited to, sex education and family planning.

6.5 Emergency Medical Care

CONTRACTOR shall have a plan for the provision of emergency medical treatment of a placed child. If a COUNTY facility or a COUNTY contracted facility is not available during regular business hours, the CONTRACTOR shall telephone the COUNTY Worker. If it is before or after regular business hours, CONTRACTOR shall call the Child Abuse Hotline (1-800-540-4000) for a DCFS placed child or (323) 226-8506 for a Probation placed child. CONTRACTOR shall examine all placed children daily for signs and symptoms of illness and ensure prompt follow-up for suspected health problems.

6.5.1 CONTRACTOR shall ensure that any placed child who appears to have a serious health condition is medically examined.

6.6 Routine Dental Care

CONTRACTOR shall meet the dental needs of the placed child in accordance with the CHDP Program, Medi-Cal program and CCL regulations. CONTRACTOR shall ensure that a CHDP provider/dentist or a dentist who does CHDP equivalent exams provides dental care and follow through. Children 3-17 years of age are to receive a dental exam annually within 30 days of the anniversary of placement at the facility.

The parent(s) is responsible for dental costs and for obtaining a pre-admission dental exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

To the extent reimbursed by Medi-Cal or otherwise reimbursed by COUNTY, CONTRACTOR shall ensure that placed youth receive a routine dental exam, any needed dental care, and information and instructions on any on-going dental treatment or medications needed within the three-month period prior to emancipation.

The parent(s) is responsible for dental costs and for obtaining a pre-discharge dental exam for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.7 Emergency Dental Care

CONTRACTOR shall have a plan for the provision of emergency dental treatment of a placed child.

6.8 Psychiatric Care

CONTRACTOR shall meet the psychiatric needs of the placed child in accordance with the CHDP Program, Medi-Cal program and Title 22, Title 9, and Welfare and Institutions Code regulations. CONTRACTOR shall ensure that psychiatric care is provided by a licensed provider or by a provider who is approved by DMH. Such provider must be eligible for Medi-Cal reimbursement.

6.8.1 CONTRACTOR shall ensure that any placed child in its care with a history of psychiatric problems (including hospitalizations) receive a clinical evaluation, provided that such evaluation is authorized by DMH, and submit the written results of such tests to the COUNTY Worker. COUNTY Worker will assist in facilitating a timely authorization from DMH.

6.8.2 CONTRACTOR shall be included in all COUNTY meetings regarding placed children in psychiatric hospitals, as required by DCFS Resource Utilization Management Section (RUM) or as required by the Probation Department.

6.9 Psychiatric Hospitalization

6.9.1 CONTRACTOR shall have a plan for the provision of emergency psychiatric treatment of a placed child.

CONTRACTOR shall always place a child in a COUNTY or Medi-Cal approved facility.

The parent(s) is responsible for the costs of psychiatric hospitalization for a Chapter 26.5 resident who is not eligible for Medi-Cal.

6.9.2 CONTRACTOR shall readmit any child referred by CONTRACTOR to, and admitted by a psychiatric hospital, after the placed child is discharged from the hospital. If CONTRACTOR determines that the child's readmission jeopardizes the health and safety of that child or others in the facility or a mutual treatment decision is reached not to return the child to the facility, CONTRACTOR shall immediately notify the placed child's COUNTY Worker of the refusal to readmit. In addition, upon request of the COUNTY, a detailed, written explanation from CONTRACTOR's Executive Director, of such refusal, shall be provided to COUNTY Program Director within five (5) business days of the refusal.

CONTRACTOR shall not discharge a Chapter 26.5 resident without the agreement of an Individual Education Plan unless the parent(s) otherwise agrees.

6.10 Policy For Prescribed Psychotropic Medication

6.10.1 CONTRACTOR shall ensure that the prescribing physician submits a request and obtains court authorization for all placed children prescribed psychotropic medication, and that these orders are renewed every six (6) months in accordance with Administration of Psychotropic Medication to Children Supervised by DCFS and Probation Department. CONTRACTOR shall maintain copies of court authorizations in placed children's case records.

CONTRACTOR shall obtain parental consent for psychotropic medication for a Chapter 26.5 resident.

6.10.2 CONTRACTOR shall ensure that placed children receiving psychotropic medications have such prescriptions incorporated as part of their overall treatment plan.

6.10.3 CONTRACTOR shall not solicit/promote the use of psychotropic medications to suppress what is a placed

child's normal reactive process to grief, separation and/or anxiety.

6.10.4 CONTRACTOR shall not routinely administer over-the-counter (non-prescription) medications that produce sedative effects in an effort to change behavior, promote sleep, or decrease nervous activity in the placed children.

6.11 Medications

6.11.1 CONTRACTOR shall record type, date and time of any medication, prescription and non-prescription, administered to the placed children.

6.11.2 Placed children on psychotropic medication shall have a psychiatric/psychological assessment that indicates the placed child's diagnosis, need for treatment, possible side effects and prognosis. CONTRACTOR shall provide for the placed child to receive monthly evaluation by the prescribing physician.

6.11.3 At the time of replacement CONTRACTOR shall entrust all the child’s medications and the Court authorization for the administration of psychotropic drugs, if applicable, to the responsible adult transporting the child who shall deliver them to the new caretaker immediately.

6.12 Medical Passport

COUNTY Worker will provide CONTRACTOR with the placed child's Medical and Educational Passport, or the equivalent, at the time of placement. CONTRACTOR shall maintain the placed child's Passport, or the equivalent, updating with relevant information regarding all medical needs identified and services provided, including doctor visits, testing, treatment and immunization. CONTRACTOR will provide the updated Passport, or the equivalent, to the COUNTY Worker at the time the placed child departs from the CONTRACTOR's program or provide Passport, or the equivalent, within three (3) days to COUNTY or COUNTY Worker if COUNTY Worker is not present at time of placed child's departure.

6.13 Linkages to Substance Abuse Programs

CONTRACTOR shall develop and/or maintain relationships with community drug rehabilitation programs for purposes of education, prevention and treatment for placed children in their care.

7.0 TRANSPORTATION

7.1 CONTRACTOR and COUNTY Worker shall mutually determine the transportation needs for the placed child to comply with the case plan/case plan update and shall incorporate transportation plans as part of the needs and services plan.

7.2 The CONTRACTOR shall provide licensed and insured vehicles in good repair for transporting placed children and maintain repair and maintenance records for such vehicles. In addition, it is the CONTRACTOR's responsibility to arrange transportation to activities including, but not limited to, school, Independent Living Program, teen clubs, place of child's employment, adoption-related events, visits with prospective adoptive families, job training, extra-curricular or recreational activities, therapy, medical/dental appointments, religious service of placed child's or family's preference, visits, etc. as agreed to by the CONTRACTOR in the needs and services plan. This can include teaching youth to take public transportation, arranging transportation with other care providers or outreach advisors, ILP coordinators, COUNTY Workers, etc.

8.0 INTAKE AND DISCHARGE

8.1 Child's Placement Needs

COUNTY shall review, discuss, and provide all available pertinent information and documentation pertaining to the needs of the placed child and his/her family with the CONTRACTOR. The information necessary to assess the needs of the placed child include, but are not limited to, the items identified in Division 6, Chapter 1, Section 80070(b) and Chapter 5, Sections 84070(b) and 84170(b) of Title 22 and a description of dangerous propensities of the placed child as outlined in Division 31, Section 31-405.1(1), of the California Department of Social Services, Manual of Policies and Procedures. COUNTY shall report to CONTRACTOR, any additional information related to dangerous propensities learned subsequent to placement.

Prior to admission, any child admitted to a CTF shall be certified as seriously emotionally disturbed as defined in Section 5699.2 of the Welfare and Institutions Code by a mental health professional and be determined to need the level of care provided by a CTF, as prescribed by Section 4096 of the Welfare and Institutions Code.

The CONTRACTOR shall complete and submit a DCFS 4389 (4/94), Declaration in Support of Access to Juvenile Records (WIC 827) order for the CSW to release this information in the form of a placement package about a specific placed child. The DPO can provide this information without a Declaration. DMH obtains parental consent to release information to the CONTRACTOR for a Chapter 26.5 resident.

8.2 CONTRACTOR's Ability to Meet the Child's Placement Needs.

8.2.1 CONTRACTOR shall accept all children who meet CONTRACTOR's Program Statement criteria. CONTRACTOR shall assess his/her ability to provide the required services, to meet the needs of the placed child and his/her family, based upon the intake information received from the placed child's COUNTY Designee.

8.2.2 Should CONTRACTOR determine that a referred child does not meet License and/or Program Statement criteria, CONTRACTOR shall immediately notify COUNTY Designee. Upon request of the COUNTY, a detailed, written explanation from CONTRACTOR's Executive Director, of such denial, shall be provided to COUNTY Program Director within five (5) business days of the denial.

8.2.3 CONTRACTOR shall have no fewer than 70% of its occupant beds filled with dependent foster care or probation youth.

8.3 Pre-placement Visit

COUNTY Worker shall discuss with child and CONTRACTOR the child's placement needs, including the child's educational needs, and how the CONTRACTOR plans to meet these needs. A visit to the CONTRACTOR’s facility shall be arranged prior to the child’s placement whenever possible. In addition to sharing information about the program and available activities, the CONTRACTOR shall discuss with the child, child’s COUNTY Worker, and the parent(s) for a Chapter 26.5 child the demographics of children

currently placed with the CONTRACTOR, including children's ages, background, and placing agencies.

8.4 Referral Log

The CONTRACTOR shall maintain a log for five (5) years on all referrals, for which a placement packet is received, including referral date, child's name, placing agency, placing agency case number, as well as, reason referral was denied or date of placement. This is in compliance with Section 24.0, Nondiscrimination in Services, in the body of the Agreement.

8.5 Foster Care Hotline

COUNTY Worker shall provide a placement packet, including a Medi-Cal card for every child who is placed. If child is placed during regular business hours, without such packet, CONTRACTOR shall immediately notify the Foster Care Hotline at (800) 697-4444. If a child is placed after regular business hours, CONTRACTOR shall call the Foster Care Hotline at (800) 697-4444, the following business day, with the child's name and date of placement, so that a placement package may be obtained. COUNTY cannot pay for the placement until the placement packet is issued.

8.6 Case Conference Prior to Discharge

8.6.1. COUNTY and CONTRACTOR shall collaborate in discharge planning on any dependent foster care or probation youth.

8.6.2. CONTRACTOR shall maintain on-going communication and request a case conference with the COUNTY Worker whenever the child's placement appears to be at risk and/or prior to discharge. Prior to initiating a request for a child's removal from its facility CONTRACTOR shall document contact with the RUM (Resource Utilization Management) Unit (for DCFS children) or COUNTY Worker (for Probation children) to discuss placement needs and alternatives. If CONTRACTOR determines that emergent removal of a child is necessary, based on considerations related to health and safety of the child or others in the facility, CONTRACTOR shall, upon request of the COUNTY, submit a detailed, written explanation from CONTRACTOR'S Executive Director, of such discharge, to COUNTY Program Director within five (5) business days of the rejection.

8.6.2 An IEP meeting with the parent(s), DMH, and the local education agency responsible for the student shall be convened as soon as possible to discuss alternative placement options for a Chapter 26.5 resident.

9.0 CHILDREN'S RECORDS

9.1 Placed Child's Permanent File

In addition to the requirements outlined in Division 6, Chapter 1, Section 80070 and Chapter 5, sections 84070, 84070.1, and 84170 of Title 22 and Sections 1927, 1929(d)(2)(B), 1932(c), 1936, 1937(b), and 1938(b)(1) of Title 9, CONTRACTOR shall maintain a record of telephone contacts and copies of all reports in the placed child's permanent file. Progress notes with sufficient detail so as to permit an evaluation of services and other relevant information which the CONTRACTOR deems fit shall also be included. This information shall be confidential and made available only to selected staff who require it for case planning.

9.2 Placed Child's Medical and Educational Passport

CONTRACTOR shall maintain placed child's Medical and Educational Passport, or the equivalent, as described in Sections 4.5 and 6.12 of this Statement of Work.

10.0 NEEDS AND SERVICES PLAN

10.1 CONTRACTOR shall develop in conjunction with COUNTY Worker, CONTRACTOR's social worker, placed child, parent, and guardian a comprehensive, individualized needs and services plan that meets the overall goal and objective of the case plan, treats the identified needs of the child, and is specific, measurable, attainable, and time-limited. This needs and services plan shall meet the requirements specified in Division 6, Chapter 5, Sections 84070, 84070.1, 84068.2(a), 84068.2(d), 84069.2, 84170, 84168.3, and 84168.4 of Title 22. The DCFS 709 is intended to be used in the development of the needs and services plan but it not intended to be the plan itself.

The needs and services plan outline is derived from the Division 6, Chapter 5, Sections 84068.2(b-c), 84068.3(a), 84168.3(e), and 84168.4(b) of Title 22 and Section 1927(e) of Title 9, and shall include the following [*additional COUNTY requirements in brackets*]:

10.1.1 Reason for placement. [Include description of circumstances that resulted in the child becoming a Ward/Dependent of the court.]

10.1.2 Education. If the information specified in Section 84070(b)(4) is not available, the plan shall specify a method for determining such needs. [Include health and education information that includes immunizations, medical problems, medications, academic needs, school records, and type of school.]

10.1.3 Training. [Include a description of services that will assist a child 14 years old or older with the transition to independent living.]

10.1.4 Personal care and grooming.

10.1.5 Ability to manage his/her own money, including the maximum amount of money the child shall be permitted to have in her/her possession at any one time.

10.1.6 Visitation, including the frequency of and any other limitation on visits to the family residence and other visits inside and outside the facility.

10.1.7 Other specific services, including necessary services to the child's parent(s) or guardian(s).

10.1.8 Types of services necessary.

10.1.9 The facility's ability to provide the necessary services based upon the following information provided in the plan of operation: (A) The facility's purposes, program methods, and goals. (B) The facility's admission policies and procedures. (C) Services to be provided by the facility in cooperation with community resources.

10.1.10 Planned length of placement, including the discharge plan specified in Section 84068.4(b). [Include projected date of completion of case plan objectives and termination of services.]

10.1.11 Financial arrangements for provision of services to the child.

10.1.12 Each child residing within a CTF shall have an needs and services plan completed by a licensed mental health

professional within fifteen (15) calendar days of admission which shall include: (1) Identified specific behavioral goals and specific actions to be undertaken by facility staff to assist the child in accomplishing these goals within a defined period of time through appropriate behavioral interventions and treatment modalities which shall include but not be limited to a determination of expected duration of each use of secure containment. (2) Discharge goals that are general indicators of a child's readiness for transition to alternative treatment settings. (3) Participation of the child, and, when appropriate, parent, conservator or person identified by the court to manage the child's placement in the development or modification of the NSP. (4) A review at least every thirty (30) calendar days. [Include assessment of child's needs, an evaluation of prior treatment services for the child, and specific time-limited treatment goals and services. Specify the responsibility and participation of child, parent, social worker, COUNTY Worker, and guardian to implement the needs and services plan.]

10.1.13 The needs and services plan specified in Section 84168.3 shall be updated at least every 30 days to determine the following: (1) The child's need for continuing services. (2) The types and intensity of services provided to the child including the use of secure containment and the impact of these services upon treatment goals, changes in or continuation of treatment plan objectives. (3) The progress of the child toward his or her discharge goals.

10.2 COUNTY Worker will provide to CONTRACTOR all information available concerning children in placement and assist CONTRACTOR to obtain all necessary information.

10.3 CONTRACTOR, with COUNTY Worker support, shall encourage family involvement in meetings, conferences, parent education, parent therapy, visitation, etc. as agreed upon in the needs and services plan incorporating Court-imposed requirements or limitations.

11.0 PSYCHOSOCIAL SUPPORT/PSYCHOLOGICAL CARE

11.1 Develop Values

CONTRACTOR shall provide opportunities to teach placed children the difference between right and wrong, self-control, compassion, morals, integrity, patience, respect, responsibility, etc., to develop social consciousness and cultural awareness.

11.2 Encourage Positive Peer and Community Interaction

CONTRACTOR shall encourage positive peer interaction activities, as well as, group and individual activities in the community. The CONTRACTOR shall utilize community resources such as parks, libraries, YMCA/YWCA, boys and girls clubs, community recreation centers, churches, etc.

11.3 Age-appropriate Therapeutic Approaches

CONTRACTOR shall ensure that age-appropriate therapeutic approaches are used by the staff to enhance the placed child's adaptation to his/her circumstances and promote developmental progress. CONTRACTOR shall work with COUNTY Support Agencies to implement and incorporate recommendations made by psychologist/psychiatrist in the needs and services plan.

12.0 QUALITY OF LIFE

12.1 Self Esteem

As part of the needs and services plan, planned activities schedule, and independent living plan, CONTRACTOR shall provide opportunities to encourage the development of the placed child's self esteem and cultural awareness.

12.2 Setting Goals and Objectives

CONTRACTOR agrees to provide opportunities to teach the placed child how to set short-term and long-term goals and objectives appropriate to the developmental level of the child. CONTRACTOR shall discuss possible short-term and long-term goals and objectives with the placed child as relates to his/her needs and services plan, career plans, strengths and interests and educational possibilities to prepare youth for emancipation and adulthood.

13.0 LEGAL PERMANENCY

CONTRACTOR shall facilitate the implementation of any plan determined by the COUNTY for a placed child under CONTRACTOR's care. CONTRACTOR shall facilitate a placed child's visitation with prospective foster or adoptive parents as requested by the COUNTY.

13.1 Reunification

CONTRACTOR shall assist COUNTY in reunification efforts by assessing likelihood of placed child returning home and facilitating visitation with family and other reunification services.

13.2 Adoptive Home

If the placed child cannot return home, CONTRACTOR shall facilitate placed child's involvement in adoption-related activities and placed child's visits with prospective adoptive families.

13.3 Assessing Strengths and Special Needs

CONTRACTOR shall participate with the COUNTY Worker and/or Adoptions Worker to assess the strengths and special needs of a placed child to assist in locating an appropriate adoptive home.

13.4 Counseling and Support

CONTRACTOR shall provide counseling and support for the placed child, as part of the CTF program, in making decisions related to adoption and in making transitions to legally permanent placements or returning home.

13.5 Adoption Assistance Program

COUNTY shall provide information and CONTRACTOR shall be fully informed about the Adoption Assistance Program and the differences between legal guardianship, adoption and foster care.

14.0 WRITTEN REPORTS

14.1 Written Reports

CONTRACTOR shall prepare and submit to placed child's COUNTY Worker copies of the Admission Assessment, the Needs and Services Plan, the monthly Updates to the Needs and Services Plan, Quarterly Reports, and the Discharge Report in accordance

with Sections 1927 and 1938 of Title 9 and the criteria noted below and retain a copy for the Child's Record Folder.

14.2 Quarterly Report [additional COUNTY requirements in brackets]

CONTRACTOR shall prepare and submit a signed Quarterly Report to each placed child's COUNTY Worker by the 10th business day following the end of each quarter from the date the child was placed. CONTRACTOR may combine the Quarterly Report with an Update of the Needs and Services Plan if the combined report contains all the information required for both reports.

14.2.1 The Quarterly Report shall include the following items [additional COUNTY requirements]:

14.2.1.1 Current status of child's physical and psychological health. [Include the date of each medical/dental appointment, diagnosis, recommended treatment, follow-up and medication the child received during the quarter. Include health and safety related services provided to the child, specifying the dates of service(s) for each occurrence.]

14.2.1.2 Reassessment of child's adjustment to the community treatment facility, program, peers, school, and staff. [Include copy of school report card(s), school attendance, and Individualized Education Plan (IEP) when applicable. Specify the type of school (i.e., public, private, non-public, on-grounds, community-based, etc.) and educational program provided.]

14.2.1.3 Progress toward short-term objectives and long-range goals including tasks that have been performed to reach these objectives and goals. [Include status of TILP plan, when applicable, including homemaking skills, status of vocational training and/or job experience, artistic abilities, etc. Include a copy of the updated Emancipation Preparation Contract for each placed youth age 14 years and older.]

14.2.1.4 Reassessment of unmet needs and efforts made to meet these needs.

14.2.1.5 Modification of treatment plan, tasks to be performed and anticipated length of placement. [Include transition to a lower level of care or transition to other services as an adult.]

14.2.1.6 Involvement of child and his parent in treatment program. [Include dates and type of contact with the COUNTY Worker during the quarter including telephone calls.]

14.3 Unusual Occurrences

CONTRACTOR shall provide a copy of the written report of all unusual occurrences or special incidents to the appropriate representative of the agency of primary responsibility (CSW, Probation Officer, DMH Case Manager, or an appropriate agency liaison) within 48 hours of the incident in accordance with the requirements for Reporting of Unusual Occurrences and Special Incidents. In addition to current legislation, unusual occurrences and special incidents shall include, but not be limited to:

14.3.1 Any invasive medical procedures other than routine examinations or inoculations.

14.3.2 Any injury requiring treatment by a medical practitioner.

14.3.3 Any consenting or non-consenting sexual intercourse.

14.3.4 Any incident which causes a suspected child abuse report to be made to DCFS.

14.3.5 Any contact with law enforcement

14.3.6 Any absence from placement or secured setting without permission (AWOL) for over twenty-four hours.

14.4 Discharge Report

CONTRACTOR shall prepare and submit a Discharge Report to each child's COUNTY Worker within 14 calendar days from the date the child's placement was terminated.

14.4.1 Discharge Report shall include a closing summary of the CONTRACTOR's records relating to the placed child as required by Section 1927(j) of Title 9.

15.0 ORAL REPORTS/TELEPHONE CONTACT

CONTRACTOR shall report to appropriate COUNTY staff immediately or by no later than the next workday in accordance with the criteria in Section 14.3 above.

16.0 RESIDENT CARE DAYS

16.1 Attendance Record

CONTRACTOR shall maintain attendance data on all placements. Attendance data shall include but not be limited to:

16.1.1 Statistics on the total number of resident care days of service provided for the month shall be available for review. The placed child's arrival date is counted as the first resident care day. The day of the placed child's departure is not counted as a resident care day. If a space is "held open" for a placed child on pass or AWOL at the COUNTY Worker's request in accordance with Section 8.0, Payment, Sub-section 8.5, in the body of the Agreement, this child shall be included in the number of resident care days of service provided.

16.1.2 Status of all placements for each day of the month (i.e., present, on pass, AWOL, etc.) shall be available for review. If a space is "held open" for a placed child on pass or AWOL at the COUNTY Worker's request, this child shall be included in the number of resident care days in Subsection 16.1.1.

16.1.3 Placement and termination notices shall be available for review.

16.1.4 A master list of all placements including each child's name, Placing Agency, contact person from Placing Agency for the child, schools attended, phone number for contact person, date of placement and date and reason placement was terminated shall be maintained.

17.0 VISITATION PLAN

COUNTY Worker and CONTRACTOR shall develop the visitation plan for the placed child's family and friends, taking into consideration any recommendations from the placed child's attorney and Court Appointed Special Advocate (CASA).

18.0 PLACEMENT AND ORIENTATION

18.1 Orientation

CONTRACTOR shall provide each placed child, in an age-appropriate manner, a comprehensive overview of the CTF's program, inform him/her of his/her personal rights per Section 84172 of Title 22, and provide copies of the child's due process rights, the patient's rights handbook, and the CONTRACTOR's policies and procedures regarding physical restraint and seclusion per Sections 1938 of Title 9. Such overview will include, but not be limited to, opportunities for achievement, vocational and job training, life-skills training, recreation, educational choices, and religious, spiritual, or ethical development in the faith of the placed child's choice, identification of placed child's staff support person, placed child's clothing and weekly allowance, House Rules including discharge, Discipline Practices, Grievance/Complaint Procedures, school attendance requirements including school dress code, academic expectations, use of level systems, and discharge as described in CONTRACTOR's Program Statement, Exhibit B.

18.2 Orientation Verification

Upon completion of the orientation with the placed child, the CONTRACTOR shall have the placed child acknowledge such orientation in writing.

19.0 ALLOWANCE AND BANK ACCOUNTS

CONTRACTOR shall abide by the requirements outlined in Division 6, Chapter 1, Section 80026 and Chapter 5, Section 84026 of Title 22.

CONTRACTOR shall not require a placed child to use his/her allowance to purchase items that CONTRACTOR is responsible to provide. CONTRACTOR shall not use a placed child's base allowance as a disciplinary measure. CONTRACTOR shall not substitute monetary allowances with non-monetary items, such as, tokens and points or clothing, food and other items that CONTRACTOR is responsible for providing. If a placed child is unable to handle money, CONTRACTOR shall provide the placed child with instruction on how to handle money and place the placed child's money in a savings account until the placed child is able to handle his/her money independently. ILP incentive is considered "income" to the placed child and shall not be withheld from the placed child by CONTRACTOR.

19.1 Amount

The CONTRACTOR shall provide a base allowance appropriate to age and reasonably commensurate with peer group standards and services as prescribed in CONTRACTOR's Program Statement. The base allowance shall not be less than the following amounts: $3.00 (5-8 years); $5.00 (9-13 years); $7.00 (14-17 years) per week, starting with the first full week of placement. Allowances may be increased beyond this base amount according to a point/levels/rewards behavioral control system.

19.2 Savings

The CONTRACTOR may encourage the placed child to save for a particular purchase that is not provided by the CONTRACTOR or to accumulate a savings account. However, beyond supervision of spending for appropriateness for age, safety and health, CONTRACTOR shall permit placed child to spend his/her allowance, as the placed child desires.

19.3 Earnings

The placed child's earnings may be applied toward special clothing items, tools and other personal property above the basic services contracted for herein. Court ordered restitution can be withheld from the earnings of a ward of the Juvenile Court only. CONTRACTOR shall encourage placed youth age fourteen (14) and older to save their earnings for emancipation.

The CONTRACTOR shall work with the COUNTY Worker and placed child to mutually agree on the method of securing and use of the placed child's earned income including opening a bank account if appropriate.

20.0 CHORES

20.1 Routine Chores

The CONTRACTOR shall indicate in Exhibit B - CONTRACTOR's Program Statement, which chores a placed child will be required to do as part of their regular responsibilities. CONTRACTOR shall appropriately supervise placed children while they are doing chores.

20.2 Optional Chores

The CONTRACTOR shall indicate in Exhibit B - CONTRACTOR's Program Statement which chores a placed child may do on a voluntary basis for compensation, usually as part of an incentive/behavior modification program. CONTRACTOR shall appropriately supervise placed children while they are doing chores.

20.3 Optional Chore Log

The CONTRACTOR shall comply with Exhibit B - CONTRACTOR's Program Statement description of routine chores or which chores are optional or for compensation. In addition, the CONTRACTOR shall maintain an optional chore log indicating the placed child, date, chore(s), hours worked and compensation.

21.0 FOOD

CONTRACTOR shall provide meal service, snacks, and a balanced diet as defined in Division 6, Chapter 1, Section 80076 and Chapter 5, Section 84076 of Title 22 regulations.

Placed children shall participate in menu planning. CONTRACTOR shall make additional servings available at meal times. CONTRACTOR shall inform COUNTY Worker when special dietary needs arise due to medical problems/conditions.

22.0 CLOTHING

Clothing shall fit and shall not be too small or more than two sizes larger than actual measurements. The clothing shall be clean, in good repair and appropriate for the intended use and season, including the school dress code. In no event shall CONTRACTOR provide other than new undergarments or shoes for each placed child. The CONTRACTOR shall include in the program statement a plan acceptable to the COUNTY that regularly involves the placed child in the selection and purchase of his/her own clothing and meets the minimum monthly clothing allowance and the on-hand clothing amount as specified in DCFS 2281.

The clothing is the property of the placed child and shall be retained by the placed child or his/her representative upon termination of placement.

CONTRACTOR shall provide for laundry, dry cleaning and mending of clothing in accordance with CONTRACTOR's Program Statement.

The parent(s) is responsible for the clothing supply and clothing maintenance of a Chapter 26.5 resident.

22.1 Standard for Clothing

The standards for clothing for placed children are indicated in DCFS form number 2281.

22.2 Clothing at Placement

When a child is placed in CONTRACTOR's facility, COUNTY will ensure that the child has at least 4 outfits as defined in DCFS 2281. COUNTY will provide to CONTRACTOR up to the maximum clothing allowance for each placed child who has less than 4 outfits at the time of placement.

22.3 Meeting Full Clothing Standard

The CONTRACTOR shall ensure that each placed child has 7 outfits within 30 days of initial placement, 10 outfits within 60 days of initial placement, and 12 outfits within 120 days of initial placement as defined in the DCFS 2281 Clothing Standard.

22.4 Children's Funds for Clothing

The CONTRACTOR shall provide each placed child with clothing without requiring the placed child to purchase clothing with his/her own funds. Notwithstanding limitations of Sections B.19.0, Allowance and Bank Accounts, B.22.0, Clothing, and B.23.0, Personal Needs, of this Statement of Work, when an expensive item(s) is desired that is not within the CONTRACTOR's budget allocation for the provision of sufficient clothing, the placed child may volunteer to supplement the budget to purchase the desired item(s).

22.5 CONTRACTOR's Ongoing Clothing Allocation

The CONTRACTOR shall include in their program statement a plan acceptable to the COUNTY to provide a regular monthly clothing allocation, in the amount of at least $50, from the AFDC-FC payment to be spent on clothing.

After reaching the Clothing Standard, the $50 can be spent on clothing and/or accessories.

After reaching the Clothing Standard, the placed child may decide to carry over one month's clothing allowance for use in the following

month, which provides a banked maximum of $100.00 for additional clothing of the child’s choice.

22.6 CONTRACTOR's Ongoing Clothing Inventory

CONTRACTOR shall maintain both a written inventory of each placed child's clothing and clothing receipts with description of item(s) purchased for each placed child written on each receipt. CONTRACTOR shall update clothing inventories whenever clothing items are added from any source or removed for any reason from the placed child’s clothing supply.

22.7 Storage/Security of Clothing During Placement

The CONTRACTOR shall provide for the storage and security of each placed child's clothing during the entire term of placement. CONTRACTOR may label placed child's clothing for identification purposes.

CONTRACTOR shall provide a lock or other secure means to protect the placed child's clothing and other personal property. CONTRACTOR shall retain a duplicate key to access the storage area as needed.

Notwithstanding the provisions of this Section, it is understood that clothing often disappears, particularly during home visits, and that clothing security is not entirely within CONTRACTOR's control. All losses will be documented as part of the clothing inventory, including a brief description of the circumstances involved and action taken by the CONTRACTOR, which will be taken into consideration during audits. Repeated instances of clothing loss should be reported to the COUNTY Worker.

22.8 Storage/Security of Clothing/Personal Belongings Upon Termination of Placement

Within one (1) day of the placed child's departure, the CONTRACTOR shall collect, inventory, secure and store for up to 21 calendar days the clothing of a child who, for any reason, has left the CONTRACTOR's program.

CONTRACTOR agrees to maintain adequate procedures to prevent loss, theft, and/or unauthorized removal of a placed child's clothing. CONTRACTOR shall be responsible for replacing any preventable losses.

After 21 days, CONTRACTOR shall contact COUNTY Worker to determine if clothing is to be mailed to the COUNTY at COUNTY's expense (or to the parent(s) at the parent's expense of a Chapter 26.5 child).

22.9 Special Clothing Needs

CONTRACTOR shall plan with the placed child and arrange for the purchase of school uniforms, when appropriate, sports clothing, sports equipment, special occasion clothing, and other necessary items for dances, proms, and graduation.

23.0 PERSONAL NEEDS

Personal care/hygiene items shall be provided with consideration given to specific cultural and ethnic needs.

23.1 Personal Care Items

The CONTRACTOR shall provide each child with his/her own new toothbrush, comb, deodorant and other personal hygiene items, and cover the cost of purchasing specific brands for health reasons as deemed necessary. The CONTRACTOR shall also provide toothpaste, soap, shampoo, hair care items, etc. for health, grooming and personal hygiene and replacement of combs, toothbrushes (as recommended by dentist), deodorant, etc., as needed.

CONTRACTOR shall offer placed children full choice among brands, as long as cost is reasonable.

CONTRACTOR shall not purchase or allow products in aerosol or glass containers.

23.2 Linens

The CONTRACTOR shall provide sufficient clean towels, face cloths, and sheets on at least a weekly basis. CONTRACTOR shall provide clean and serviceable blankets, bedspreads and window treatment(s) on at least a quarterly basis.

CONTRACTOR shall immediately replace worn, torn or frayed towels, sheets, blankets, bedspreads, and window treatment(s).

24.0 SUPERVISION

24.1 CONTRACTOR shall comply with staff-to-child ratios as defined in Division 6, Chapter 5, Sections 84165.5-84165.6 of Title 22 and CONTRACTOR's program statement to provide the staff necessary to meet each placed child's needs and to provide supervision. As stated in Section 84065.5(c), "If the children require special care and supervision because of age, problem behavior or other factors, the number of on-duty child care staff shall be increased to meet the needs of the children in accordance with Section 80065(a)."

24.2 Know Child's Whereabouts and Responsible Staff

CONTRACTOR and CONTRACTOR's staff shall know the whereabouts of placed children according to resident log and be able to identify who is responsible for supervision. Placed children may leave the facility, unaccompanied for specific purposes, in accordance with case plan which has been pre-approved by COUNTY and as long as approved by CONTRACTOR or designee and documented in the log.

24.3 Resident Sign-in/Sign-out Log

CONTRACTOR shall maintain a sign-in/sign-out log for placed children who leave the facility for any reason other than regularly scheduled work, school, or group activities of the CONTRACTOR. This log shall include the name of the child, his/her destination, the time he/she left the facility, the anticipated time of return, and the name and telephone number of the person who is responsible to supervise the resident while he/she is away from the facility (unless the COUNTY Worker has authorized unsupervised passes).

25.0 STAFFING

CONTRACTOR agrees to provide appropriate staffing for program level in compliance with CDSS Rate Classification Level (RCL), CCL regulations, and the CONTRACTOR's program statement. CONTRACTOR agrees to provide COUNTY access to all related records available to CCL.

26.0 HOUSING AND LIVING ENVIRONMENT

26.1 In addition to the requirements of Division 6, Chapter 1, Sections 80087-80088 and Chapter 5, Sections 84087-84088 and 84187-84188 of Title 22, CONTRACTOR shall provide all placed children with a safe, well-maintained, appropriately furnished and decorated,

home-like environment. All furniture and appliances shall be well maintained and in good working condition.

26.2 CONTRACTOR shall allow each placed child to personalize his/her bedroom.

27.0 HEALTH AND SAFETY

CONTRACTOR shall comply with Division 6, Chapter 1, Articles 7-8 and Chapter 5, Article 7 of Title 22 regarding physical environment and health related services.

CONTRACTOR shall uphold a "No Smoking" policy within the facility. Under no circumstances shall placed children under 18 years of age be permitted to smoke. Visitors and staff shall not smoke inside of CONTRACTOR's facility(ies).

EXHIBIT B

CONTRACTOR'S CTF PROGRAM STATEMENT

Exhibit B, Contractor's CTF Program Statement is not attached hereto, but is on file with DCFS Group Home Resource Development and Support and DCFS Contract Management Services.

This exhibit is incorporated by reference in full as though fully set forth herein.

EXHIBIT C

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

GENERAL INFORMATION

Your employer, _____, has entered into a contract with the County of Los Angeles to provide various services to the County. Therefore, your signature is required on this employee acknowledgment and confidentiality agreement.

EMPLOYEE ACKNOWLEDGMENT

I understand that _____, is my sole employer for purposes of this employment.

I rely exclusively upon _____, for payment of salary and any and all other benefits payable to me or on my behalf during the period of this employment.

I understand and agree that I am not an employee of Los Angeles County for any purposes and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles during the period of this employment.

I understand and agree that I do not have and will not acquire any rights or benefits pursuant to any agreement between my employer, _____ and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT

As an employee of _____, you may be involved with work pertaining to County services and if so, you may have access to confidential data pertaining to persons and/or other entities who receive services from the County of Los Angeles. The County of Los Angeles has a legal obligation to protect all confidential data, especially data concerning welfare recipient records. If you are to be involved in County work, the County must ensure that you, too, will protect the confidentiality of all data. Consequently, you must sign this confidentiality agreement as a condition of your work to be provided to the County. Please read the agreement and take due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person data obtained while performing work pursuant to the contract between _____ and the County of Los Angeles.

I agree to forward all requests for the release of information received by me to my immediate supervisor.

I agree to report any and all violations of the above by any other person and/or by myself to my immediate supervisor and I agree to ensure that said supervisor reports such violation to the County of Los Angeles Department of Children and Family Services.

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

Employee's Signature: _____ Date:_____

Employee'sPrintedPosition/Title:_____

EXHIBIT C

CONTRACTOR's NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

_____
CONTRACTOR NAME

Contract No. _____

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 Contractor Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

NON-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.

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 contract.

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, too, 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.

Initials of Signer _____

Contractor Name _____ Contract No._____

Non-Employee Name _____

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 me to 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, I shall keep such information confidential.

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, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Attachment D, attached hereto and incorporated herein by reference.

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: _____

EXHIBIT D

COUNTY FISCAL AUDIT PHASES, FISCAL AUDITS OF COMMUNITY TREATMENT FACILITY CONTRACTORS AND AUDITOR-CONTROLLER COMMUNITY TREATMENT FACILITY CONTRACT ACCOUNTING AND OPERATING HANDBOOK

EXHIBIT D

COUNTY FISCAL AUDIT PHASES, FISCAL AUDITS OF COMMUNITY TREATMENT FACILITY CONTRACTORS

ev 9-6-05

I. Overview

To minimize delays and to increase understanding of the fiscal auditing process by COUNTY and the Community Treatment Facility Contractor (referred to herein as CONTRACTOR), the following is a description of the fiscal audit protocols followed by the Auditor-Controller (A-C), the Department of Children and Family Services (DCFS), the Probation Department (Probation), and the Department of Mental Health (DMH), herein referred to as COUNTY, unless referred to separately, during fiscal audit reviews. All specified timeframes are estimated, and actual timeframes may differ depending on COUNTY staffing, workload, and coordination of scheduling with each CONTRACTOR. The period(s) to be audited shall be consistent with the Contractor's accounting year-end.

II. Purpose of Fiscal Audit Review

The purpose of the fiscal audit review will be to determine whether, pursuant to the Agreement, Community Treatment Facility monies are appropriately accounted for and Expended on reasonable and allowable Expenditures in providing the necessary care and services for children placed by COUNTY and served by CONTRACTOR. A-C staff also evaluates the adequacy of CONTRACTOR's accounting records, internal controls, and compliance with the Agreement and applicable federal and State regulations governing the disbursement of foster care funds.

III. Applicable Regulations

We refer to the following guidelines and regulations in conducting our fiscal audits:

County Community Treatment Facility Agreement, including Exhibit D, Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook

Federal Office of Management and Budget Circular A-122, Cost Principles for Non-Profit Organizations

California Department of Social Services Manual of Policies and Procedures

California Code of Regulations, Title 22

IV. Notification of Review

A-C staff will contact CONTRACTOR's representatives to notify them of the fiscal audit review and to arrange for an entrance conference. Absent extenuating circumstances, the entrance conference is to be held within 15 calendar days of

this initial notification or at a mutually agreeable time. A letter will be sent to CONTRACTOR confirming the scheduled entrance conference date, time and location, and applicable documents that need to be available for review. COUNTY will be sent a copy of the confirmation letter.

V. Entrance Conference

Prior to the entrance conference, A-C staff will have reviewed the CONTRACTOR's Program Statement and Agreement to become familiar with the program and to identify questions or issues to be addressed or clarified during the entrance conference.

The entrance conference permits the CONTRACTOR and the A-C staff to discuss the scope of the review. A-C staff will introduce themselves, give a brief summary of the review objectives, discuss CONTRACTOR operating hours, work space, and CONTRACTOR's fiscal audit contact person, and perform an inventory of the CONTRACTOR's records requested in the confirmation letter. CONTRACTOR should ensure appropriate fiscal personnel are in attendance to answer any questions and discuss any concerns and problems encountered with CONTRACTOR records.

VI. Preliminary

The preliminary work will start after the entrance conference. This phase is an educational process for A-C staff. All requested documentation must be made available to the A-C Staff, including but not limited to, employee records, children's case files containing clothing and food receipts, and those records identified in Section 11.0, Records and Audits-Financial, Section 12.0, Records and Audits-Other, and Section 13.0, Contract Compliance and Program Investigations , of the Agreement.

Preliminary work will consist of becoming familiar with CONTRACTOR's accounting system and financial and accounting records, and evaluating its system of internal controls. From this work, A-C staff will determine how the records will be tested and the extent of detailed test work that will be performed in each area (i.e., billings, salaries, non-personnel expenditures, etc.).

It is important for CONTRACTOR to have its financial and accounting records available or prepare final schedules detailing all financial activities of CONTRACTOR for the fiscal audit review period. This will expedite the review and provide A-C staff with the population of transactions subject to review.

VII. Detailed Field Work

The detailed fieldwork is an extension of the preliminary work and involves a more in-depth review of accounting and financial records, documents and transactions. A-C staff will be requesting information from CONTRACTOR in the

various areas under review. The duration of detailed fieldwork varies and may take from a few weeks to several months to complete, depending on CONTRACTOR availability, condition of, and availability of the account records, and other variables.

Preliminary findings will be verbally discussed with CONTRACTOR during this stage of the review.

VIII. Summary of Preliminary Results

Upon completion of the fieldwork, CONTRACTOR will be provided a summary of the preliminary results to allow the CONTRACTOR to comment, and ensure all relevant documentation has been obtained. Absent extenuating circumstances, a due date of no less than ten (10) business days, from the date CONTRACTOR is provided a summary of preliminary results, will be set by the A-C staff for CONTRACTOR to present additional documentation in response to the summary of preliminary results. Documentation provided after the due date may not be reflected in the draft fiscal audit report and/or may delay completion of the fiscal audit process.

IX. Preliminary Draft Fiscal Audit Report/Pre-exit Meeting

Within 30 calendar days of the due date for receipt of additional information from CONTRACTOR, A-C staff will issue to CONTRACTOR a preliminary draft fiscal audit report, which contains preliminary draft findings and recommendations. The preliminary draft fiscal audit report will be faxed/mailed to the CONTRACTOR's Executive Director. A copy of the preliminary draft fiscal audit report will be provided to COUNTY.

After receipt of the preliminary draft fiscal audit report, CONTRACTOR may request a pre-exit meeting with COUNTY staff to discuss the preliminary draft fiscal audit report. If CONTRACTOR desires a pre-exit meeting, CONTRACTOR must submit its request in writing to the A-C either by letter, or via electronic mail, within 15 calendar days following receipt of the preliminary draft fiscal audit report. If CONTRACTOR does not request a pre-exit meeting in writing within the allowable time period, CONTRACTOR will be deemed to have waived the right to a pre-exit meeting.

If CONTRACTOR and COUNTY <u>hold</u> a pre-exit meeting:

*The pre-exit meeting will be held in person or if mutually agreed upon, by telephone, and participants will include the A-C, DCFS, Probation, DMH, and CONTRACTOR's staff/management and non-legal representatives who are knowledgeable of the events in relation to the preliminary draft fiscal audit report being discussed.

At the pre-exit meeting, CONTRACTOR may provide additional documentation related to the findings and recommendations included in the preliminary draft fiscal audit report. After the pre-exit meeting, COUNTY staff will review the documentation and determine its effect, if any, on the findings and recommendations. COUNTY staff will revise the preliminary draft fiscal audit report, as COUNTY determine appropriate. The preliminary draft fiscal audit report updated for any revisions deemed appropriate by the COUNTY will herein be referred to as the exit draft fiscal audit report.

NOTE: In general, COUNTY will not review any additional documentation, which CONTRACTOR provides, related to the findings and recommendations in the preliminary draft fiscal audit report, at any time subsequent to the pre-exit meeting. However, in the event extenuating circumstances exist, COUNTY may at their sole discretion, consider additional documentation submitted subsequent to the pre-exit meeting. CONTRACTOR should therefore be sure to provide all information, which it deems relevant at the pre-exit meeting to ensure that it is taken into consideration.

If CONTRACTOR and COUNTY do not hold a pre-exit meeting:

A-C, COUNTY will not review any additional documentation, which CONTRACTOR provides, related to the findings and recommendations in the preliminary draft fiscal audit report.

A-C and COUNTY staff will issue the exit draft fiscal audit report (see Section X Issuance of Exit Draft Fiscal Audit Report).

X. Issuance of Exit Draft Fiscal Audit Report

An exit draft fiscal audit report will be prepared and sent to CONTRACTOR. CONTRACTOR will be asked to review the exit draft fiscal audit report and prepare for an exit conference, which will be scheduled within 15 calendar days of the date the exit draft fiscal audit report is received by CONTRACTOR. COUNTY will contact CONTRACTOR to schedule the exit conference.

XI. Exit Conference

The purpose of the exit conference is to discuss the exit draft fiscal audit report, and the findings and recommendations contained therein, as well as any proposed wording changes, which may be sought by CONTRACTOR.

COUNTY's role at the exit conference will be to answer questions regarding COUNTY policies, and clarify administrative procedures to be followed after the COUNTY issues the final report. COUNTY personnel will defer any discussion

related to the resolution of specific findings and recommendations until the final report is officially released.

In consideration of the discussions at the exit conference, the COUNTY may, in their sole discretion, make revisions to the exit draft fiscal audit report. A-C/DCFS staff will notify CONTRACTOR via phone of any revisions to the exit draft fiscal audit report. The exit draft fiscal audit report, updated for any revisions deemed appropriate by the A-C and DCFS, will herein be referred to as the final draft fiscal audit report.

XII. CONTRACTOR Response to Final Report

Within thirty (30) calendar days of the date the final draft fiscal audit report is received by CONTRACTOR, CONTRACTOR shall submit a response to the findings and recommendations, via first-class mail, to the DCFS/Probation Fiscal Monitoring Section. The response should address each of the findings affecting CONTRACTOR's operations, including but not limited to compliance/internal control issues and identified questioned Expenditures, and indicate corrective actions planned or already taken. As to corrective actions planned, CONTRACTOR shall identify the dates that corrective action will be implemented and completed.

XIII. COUNTY Response to Final Report

COUNTY (or another office/agency within Los Angeles County) will evaluate the adequacy of the CONTRACTOR's written response to the final draft fiscal audit report. Within 25 calendar days of COUNTY's receipt of CONTRACTOR's written response to the final draft fiscal audit report, DCFS/Probation will provide CONTRACTOR with COUNTY's written response, which sets forth the required COUNTY corrective action plan (CAP). Should Contractor disagree with the contents of the CAP, Contractor shall submit a response to the COUNTY CAP within 15 business days via first class mail to DCFS Fiscal Monitoring Section/Probation Central Placement Office. COUNTY will review the Contractor's response to the COUNTY CAP and issue a final required COUNTY Corrective Action Plan within 5 calendar days . Should CONTRACTOR not comply with the Corrective Action Plan, COUNTY may, in their sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use status.

XIV. Final Report to the Board of Supervisors

The COUNTY will make every effort to issue the final report, with the Contractor's response attached, to the Board of Supervisors within 60 calendar days after the issuance date of the final draft fiscal audit report. CONTRACTOR will be provided with a copy of the final report at the same time as it is issued to the Board of Supervisors. The final report along with the Contractor's response and DCFS'/Probation/DMH's CAP will be posted on the A-C website and will be

deemed a public record pursuant to the Public Records Act (Cal. Govt. Code section 6250, et seq.) It is the policy of the A-C to post final reports on the website within 24 hours of issuance.

XV. Establishment of a Repayment Plan

Within fifteen calendar days of the date of COUNTY's response to the Final Report, CONTRACTOR, shall schedule an appointment with DCFS Fiscal Monitoring staff/Probation Central Placement Office/DMH to sign a repayment agreement for recovery of the questioned Expenditures identified in the Final Report. CONTRACTOR shall sign the repayment agreement no later than 30 calendar days after the date of COUNTY response to the Final Report. Should CONTRACTOR not comply with the repayment plan for questioned Expenditures, COUNTY may, in their sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use status.

EXHIBIT D

AUDITOR-CONTROLLER
COMMUNITY TREATMENT FACILITY CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

The following handbook is designed for inclusion in Department of Children and Family Services Community Treatment Facility contracts. The purpose of the handbook is to establish accounting, internal control, financial reporting, and contract administration standards for Community Treatment Facilities who contract with the COUNTY.

Revised :9/6/2005

AUDITOR-CONTROLLER
COMMUNITY TREATMENT FACILITY CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

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 (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.

ACCOUNTING SYSTEM

2.0 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. The CONTRACTOR shall maintain a separate Cost Center(s), which clearly identifies AFDC-FC funds, received and expended for the care and services of placed children under this Agreement.

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 (IRS Publication 15A) 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, canceled checks and other documentation clearly establishing the nature of the Expenditure and its relevance to the COUNTY program being contracted for will be required to support an outlay of funds. (See Agreement, Section 10.3). 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. Documentation related to some of the most frequently encountered transactions consists of, but is not limited to the following:

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. Personnel records shall also be maintained documenting employee pay rates. Furthermore, personnel records shall contain documentation confirming that educational and practical experience requirements of an employee's position have been met. Where licensure is a requirement of an employee's position, CONTRACTOR's personnel file shall contain documentation confirming the validity of the employee's license.

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 beginning and ending odometer readings and the resulting mileage. Vehicle mileage logs must clearly identify business versus non-business, or personal travel. Travel related to conferences should include conference literature such as agendas and handouts 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.

Loans from Employees - Loans to the CONTRACTOR by employees shall be supported by a written loan agreement and records documenting that the lent funds were deposited into a CONTRACTOR bank account. To the extent that the loan agreement provides for the payment of interest, the interest will not be an allowable expense under the Agreement.

3.3 Payments to Affiliated Organizations or Persons

CONTRACTOR shall not make payments to affiliated organizations or persons (i.e., related party transactions) for program expenses (e.g., salaries, services, rent, etc.) that exceed the lesser 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 – vender 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. Likewise, income from investments, where the source of the amount invested is COUNTY program funds, shall be deemed restricted revenue that must be utilized on allowable Expenditures under the attached Agreement.

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). A recommended practice would be to retain photocopies of the COUNTY warrants reflected on each deposit slip, or record the individual warrant numbers onto the deposit slip.

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 and dated 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, including this Auditor-Controller Community Treatment Facility Contract Accounting and Administration Handbook (Exhibit D), except as proscribed by state or federal law.

For purposes of establishing a reasonable level of compensation for CONTRACTORS personnel, COUNTY may refer to the Child Welfare League of America (CWLA) Salary Study, or other regionally recognized salary studies for non-profit social service agencies. Salary studies which are both regionally and nationally recognized are preferred.

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 full-time (i.e., 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 $5,000 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

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 purchased with COUNTY funds. The report shall contain at a minimum, item identification, recorded value, facts relating to loss, and, where appropriate, 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.

6.0 Investments – COUNTY program funds may not be utilized on investments where there is a risk of loss.

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 OMB Circular A-122 "Cost Principles for Non-Profit Organizations". 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. Similarly, current period expenses related to events or activities that occurred prior to the effective date of the Agreement may not be allowable. For example, any legal costs incurred prosecuting or defending a lawsuit stemming from events which occurred during a period not covered by a valid Community Treatment Facility Agreement between CONTRACTOR and COUNTY would not be allowable. Legal costs discussed in this paragraph shall not include those covered under OMB Circular A-122, Attachment C-1.

1.3 Budget Limitation

Total agency contract expenses may not exceed the maximum contract budget.

1.4 This Section Intentionally Left Blank

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	10,000
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)	$24,000

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:

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

Identify the CONTRACTOR'S direct and indirect costs (by category) and describe the cost allocation methodology for each category.

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:

Any Expenditures, or un-Expended funds, found to be unallowable by any federal or state agency authorized to review the Expenditures or un-Expended funds. To the extent that any federal or state agency seeks collection of unallowable Expenditures or un-Expended funds, COUNTY will not review and/or seek collection of those Expenditures or un-Expended funds.

Bad debts
Contingency provisions
Contributions and donations
Fines and penalties (e.g., NSF Check Fees, Traffic Citation Fees)
Fundraising activities
Interest expense (unless expressly allowed by Federal guidelines)
Losses on other awards
Legal and professional expenses, which are incurred defending against COUNTY claims for repayment of questioned costs identified in Fiscal Audits, are allowable only as permitted by OMB Circular A-122.

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.

EXHIBIT F

DEFINITIONS OF TERMS

The following terms, as used in this Agreement, shall have the following meanings:

Case Plan: A written document based on an assessment of the circumstances which required child welfare services intervention. It is developed by the COUNTY Worker (CSW/DPO) in partnership with the parent/guardian (whenever possible) and designed to reduce or eliminate the risk factor(s) which precipitated the referral to DCFS or Probation. It identifies a Case Plan goal (the desired outcome), objectives (the desired outcome of the successful completion of specified tasks), tasks/activities (for which a participant is accountable and the completion of which moves toward achievement of a specified Case Plan objective), the specific services to be provided and time frames for completion of the objectives and goal. Case Plan goals include: Family Maintenance, Family Preservation, Reunification and Permanency Planning (Adoption; Legal Guardianship; and long-term Foster Care).

Children's Social Worker (CSW): An employee of DCFS who performs a wide range of professional social services casework for children and their families receiving services from DCFS.

Community: For placement purposes is defined as the area/zip code where the placed child and his/her family were living at the time the child was taken into custody or where the placed child's family is living when the child is placed.

Community Care Licensing (CCL): As used in this Agreement, is the State agency with authority to license community care facilities for adults and children.

COUNTY General Fund (CGF): County supplemental funding up to $2500 per child per month.

COUNTY Worker: For a DCFS-placed child, the COUNTY Worker is a Children's Social Worker (CSW). For a Probation-placed child, the COUNTY Worker is a Deputy Probation Officer.

Court Appointed Special Advocate (CASA): An officer of the court who advocates the placed child's needs and best interests and provides the court with written recommendations. CASAs are also referred to as "Child Advocates" or "Guardian ad Litem" (GAL).

Day(s): As used in this Agreement, means calendar day(s) unless otherwise specified.

DCFS: As used in this Agreement, means COUNTY's Department of Children and Family Services.

Deputy Probation Officer (DPO): An employee of the Probation Department who provides direct supervision of children on probation.

"Do Not Refer" Status: As used in this Agreement, means all new referrals to the CONTRACTOR are suspended.

"Do Not Use" Status: As used in this Agreement, means all new referrals to the CONTRACTOR are suspended and all placed children are removed from CONTRACTOR's facility(ies).

Emancipation: Successful passage of foster youth to adulthood, including becoming a responsible and contributing member of the community.

Emancipation Planning: Services designed to enable placed youth age 14 years or older to successfully develop competencies in areas that will enhance their passage to adulthood once jurisdiction of case status has terminated.

Fiscal Year(s): As used in this Agreement means COUNTY's Fiscal Year which commences July 1 and ends the following June 30.

Foster Care Hotline: A telephone number that the CONTRACTOR must call under circumstances described in this Agreement or may call to request general information. The Foster Care Hotline is available 24 hours a day, seven days per week. The Foster Care Hotline number is (800) 697-4444.

Hold: A “hold” is a suspension of intakes to an out-of-home care facility. It may be used for any of the following: an administrative action; pending results of a complaint investigation; a voluntary request by the provider and other administrative reasons or licensing issues.

Independent Living Program (ILP): The program authorized under 42 U.S.C. 677 of the Social Security Act for services and activities to assist/prepare youth age 14 or older to make the transition from out-of-home care to independent living. Youths receiving family reunification and permanent placement services, and those in out-of-home care, are eligible. Youths receiving emergency response and family maintenance services and those in psychiatric hospitals are not eligible for the program. DCFS may also provide ILP services to former foster youths up to age 21. ILP is a major component of emancipation planning.

Minor's Attorney: Counsel appointed by the court for the minor pursuant to Welfare and Institutions Code Section 317.

Needs and Services Plan: A comprehensive, individualized, time-limited, goal oriented plan, developed by CONTRACTOR identifying the specific needs of an individual placed child, including those items specified in Title 22, Division 6, Chapter 8.8, Section 84068.2 and delineates those services necessary in order

to meet the placed child's identified needs. The County Worker will provide any and all information available to assist CONTRACTOR in developing this plan.

Placed Child(ren): Any child or children placed by the COUNTY, receiving services from the CONTRACTOR pursuant to this Agreement, hereinafter referred to as a "placed child" or "placed children".

Program Directors: The Director of the Department of Children and Family Services (DCFS) and the Central Regional Placement Director of the Probation Department.

Program Managers: DCFS and Probation representatives responsible for daily management of contract operation and overseeing monitoring activities.

Rate Classification Level (RCL): The basis for monthly payment to CONTRACTOR, established by the State of California. The RCL is calculated on the basis of the number of staff hours and the educational level of staff employed who have direct contact with children.

Referral: The point at which the CONTRACTOR receives any documents from the COUNTY Worker with information necessary for the CONTRACTOR to make an assessment of the CONTRACTOR's ability to meet the placement needs of a placed child, such as the pre-placement packet of information.

Service(s): The basic needs the CONTRACTOR agrees to provide for each placed child as outlined in the California Department of Social Services Regulations, Exhibit A, Statement of Work and Exhibit B, CONTRACTOR's Program Statement.

Shall: From a legal standpoint, “shall” means mandatory obligation to fulfill a stated function.

EXHIBIT G

LEFT INTENTIONALLY BLANK

EXHIBIT H

JURY SERVICE PROGRAM CERTIFICATION AND LOS ANGELES COUNTY CODE 2.203 (JURY SERVICE PROGRAM)

EXHIBIT H

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:		
Company Address:		
City:	State:	Zip Code:
Telephone Number:		
Solicitation For (Type of Goods or 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.

nt Name:	e:
nature:	e:

EXHIBIT H

"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,

2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.

B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:

   1. Has ten or fewer employees during the contract period; and,

   2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than $500,000; and,

   3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

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

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

2.203.090. Severability.

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

EXHIBIT I

SAFELY SURRENDERED BABY LAW FACT SHEET

EXHIBIT I

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

State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director

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

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

EXHIBIT I

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. Bernardine 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.

EXHIBIT I

Sin pena.
Sin culpa.
Sin peligro.

Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.

En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora

Consejo de Supervisores del Condado de Los Angeles
Gloria Molina, Supervisora, Primer Distrito
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Knabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

EXHIBIT I

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

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

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

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

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

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

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

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

EXHIBIT J

ADMINISTRATION OF CONTRACT
CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: _____

CONTRACT NO. _____

CONTRACTOR'S PROGRAM DIRECTOR:

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

_____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following address:

Address: _____

_____

EXHIBIT K

ADMINISTRATION OF CONTRACT
COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROGRAM DIRECTOR:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY PROGRAM MANAGER:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY CONTRACT PROGRAM MONITOR:

Name: _____
Title: _____
Address: _____
_____
Telephone: _____
Facsimile: _____
E-Mail Address: _____

EXHIBIT L

CHARITABLE CONTRIBUTIONS CERTIFICATION

_____
Company Name

_____
Address

_____
Internal Revenue Service Employer Identification Number

_____
California Registry of Charitable Trusts “CT” number (if applicable)

The Nonprofit Integrity Act (S8 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

CERTIFICATION	YES	NO
Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, It will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.	( )	( )
OR		
Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.	( )	( )

_____ _____
Signature Date

_____
Name and Title (please type or print)

EXHIBIT M

CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY (EEO) CERTIFICATION

_____
Contractor's Name

_____
Address

_____
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 firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S CERTIFICATION

1.	The CONTRACTOR has a written policy statement prohibiting discrimination in all phases of employment.	YES **[ ]**	NO **[**
2.	The CONTRACTOR periodically conducts a self-analysis or utilization analysis of its work force.	YES **[ ]**	NO **[**
3.	The CONTRACTOR 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 CONTRACTOR has a system for taking reasonable corrective action to include establishment of goals or time tables.	YES **[ ]**	NO **[**

_____
Name of Firm

_____
Print Name and Title

_____ _____
Authorized Signature Date

EXHIBIT N

Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. November 2002)

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 2002 investment income (such as interest and dividends) is over $2,550.

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 2002 are less than $34,178 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, 2003.

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, or from the IRS Web Site at **www.irs.gov**.

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

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2002 instructions for Form 1040, 1040A, 1040EZ, or **Pub. 596,** Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Notice 1015
(Rev. 11-2002)
Eligible employees claim the EIC on their 2002 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 2002 and owes no tax but is eligible for a credit of $791, he or she must file a 2002 tax return to get the $791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2003 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.

Cat. No. 20599I

Community Treatment Facility Semi-Annual Expenditure Report
(For Los Angeles County DCFS, DMH, and Probation Children Only)

Agency:
Address:
Contract Person:
Phone #:

Report Period:
Number of L.A. County Children:
Number of L.A. County Child Care Days in Period:
Contract Number:

REVENUE AND EXPENDITURE SUMMARY		
	Total for 6 Months	Year-To-Date
A. <u>Total AFDC-FC Revenues</u> (L.A. Co. Children Only)	**$**	**$**
<u>Total Supplemental Revenues</u>	**$**	**$**
B. <u>Total Combined Revenues</u>	**$**	**$**
C. <u>Allowable Contract Expenditures</u> (Allowable Expenditures for the care and services of placed Los Angeles County children allocated in accordance with requirements contained in Sections 10.2 and 10.3 of the Agreement. Expenditures should be reported within the 15 cost categories listed below. Except for the requirements of allocation of costs which is described in Sections 10.2 and 10.3 Contractor shall use the SR 3 Instructions.)		
1. Child Care & Supervision		
2. Social Work Activity		
3. Food		
4. Shelter Costs – Building Rent and Leases		
5. Shelter Costs – Approved by Attorney General Self-Dealing Transactions Affiliated Leases		
6. Building & Equipment		
7. Utilities		
8. Vehicles & Travel		
9. Child-Related		
10. Executive Director Salary		
11. Assistant Executive Director Salary		
12. Administrator Salary		
13. All Other Administrative Salaries		
14. Financial Audit Costs		
15. Administration (Minus Admin. Salaries and Financial Audit Costs)		

Total Allowable Contract Expenditures	**$**	**$**
D. <u>Total un-Expended AFDC-FC Funds from Current Agreement</u> (Total AFDC-FC Revenues received from COUNTY less Total Allowable Contract Expenditures) [See Agreement, Section 10.6]	**$**	**$**
E. <u>Total un-Expended Supplemental Funds from Current Agreement</u> (Total AFDC-FC Revenues received from COUNTY less Total Allowable Contract Expenditures)	**$**	**$**
<u>F. Total unexpended AFDC-FC Funds Received from COUNTY from September 1, 2003 through the expiration date of the most recently completed contract term.</u>		**$**
<u>G. Total unexpended Supplemental Funds Received from COUNTY from September 1, 2003 through the expiration date of the most recently completed contract term.</u>		**$**
<u>H. Total Accumulated Unexpended AFDC-FC Funds</u> <u>(Add un-Expended funds from current Agreement and unexpended funds from previous COUNTY CTF contracts)</u>		**$**
<u>I. Total Accumulated Unexpended Supplemental Funds</u> <u>(Add un-Expended funds from current Agreement and unexpended funds from previous COUNTY CTF contracts)</u>		**$**

I hereby certify to the best of my knowledge, under penalty of perjury, that the above report is true and correct, that the amounts reported are traceable to Agency accounting records, and that all AFDC-FC monies received for the purposes of this program were spent in accordance with the contract program requirements, the agreement and all applicable Federal, State and County laws and regulations. Falsification of any amount disclosed herein shall constitute a false claim pursuant to California Government Code Section 12650 et seq.

Executive Director's Signature	Date

Rev. 6-06

Exhibit P

CROSSWALK FACT SHEET

Current Language	New Language
• Health Care Financing Administration (HCFA)	• Centers for Medicare and Medicaid Services (CMS)
• Explanation of Balance (EOB)	• Remittance Advice (RA)
• Mode of Service and Service Function Code (SFC) • Activity Code	• CPT Codes: Current Procedural Terminology published by the American Medical Association is a list of codes representing procedures or services. • HCPCS Codes (Level II): HCFA and other Common Procedure Coding System (HCPCS) Codes are used and approved by the Centers for Medicare and Medicaid to describe and accurately report procedures and services. • A crosswalk of HCPCS and CPT Codes to SFC's is available in legacy files. • UB92: Refers to coding standards designated by HIPAA.
• DSM IV	• ICD-9 Codes: (International Classification of Diseases), 9th Revision Codes, issued and authorized by the Centers for • Medicare and Medicaid, to describe and accurately report health related procedures and Diagnoses.
• Clinical Staff and Discipline Code	• Rendering Provider and Taxonomy
• MHMIS or Mental Health Management Information System AND • MIS Management Information System	• IS or Integrated System
• References to entering data into the MIS	• Entering data into the IS
• RGMS	• IS

Revised 3/7/06