



**COUNTY OF LOS ANGELES  
TREASURER AND TAX COLLECTOR**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CA 90012



**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

TELEPHONE  
(213) 974-2101

May 3, 2005

TELECOPIER  
(213) 626-1812

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

Dear Supervisors:

**RECOMMENDATION TO AWARD CONTRACT FOR  
MAILING SERVICES  
(ALL DISTRICTS)(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chair to sign the attached Contract (Exhibit 1) with All Direct Mail Services, Incorporated (All Direct), to provide mailing services to the Treasurer and Tax Collector (TTC) intermittently and on an as-needed basis for a term of one (1) year commencing on June 1, 2005, or upon the date of Board approval, whichever is later, with the first year's compensation not to exceed \$275,000;
2. Delegate authority to the Treasurer and Tax Collector to execute future amendments to extend the Contract for a maximum of four (4) one-year renewals and six (6) month-to-month extensions at the option of the TTC in accordance with the Term of the Contract, and to increase the annual Contract Sum by no more that 15% annually to accommodate any unanticipated increase in workload or special mailings;
3. Delegate authority to the Treasurer and Tax Collector to execute future amendments to modify the terms of the Statement of Work that do not materially alter the Contract, and/or to add and/or change certain terms and conditions in the Contract as required by the Board of Supervisors or Chief Administrative Officer provided County Counsel approval is obtained prior to execution of such amendments.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended Contract will provide mailing services to TTC to ensure that the approximately 2.3 million annual property tax bills are mailed by the statutory deadline. The TTC has utilized outside mailing firms since 1987 to handle several peak workload periods including the annual tax bill mailing, tax lien sale documents and notices, and various other departmental mailings on an as-needed basis. Mailing services include collating and assembly of inserts, stuffing and sealing of envelopes, and the application of appropriate postage.

Due to the statutory deadlines in mailing the required documents for pending tax lien sales as well as the annual tax bill, TTC utilizes a contractor to meet those deadlines as well as supplement mailing services TTC performs for other County departments on an as-needed basis.

The current contract for mailing services expires on May 31, 2005. The proposed Contract with All Direct will ensure the mailing service needs of the TTC are met without interruption.

#### **Implementation of Strategic Plan Goals**

The approval of this Contract is consistent with the County's Strategic Plan Goal of Organizational Effectiveness. The Contract provides for ongoing contractual mailing services, which supports mandated operations of the TTC.

### **FISCAL IMPACT/FINANCING**

The maximum Contract amount for the first year is \$275,000. Funding is available in the Adopted Budget for FY 2004-05 and is included in the proposed Departmental budget for FY 2005-2006.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Since 1987, TTC has contracted with outside agencies to provide mailing services to ensure that statutory mailing requirements of the annual tax bill and pending tax lien sales are met. Through the proposed Contract, TTC will be able to continue to meet these legal deadlines.

The recommended Contract with All Direct is for a term of one year with four (4) one-year and six (6) month-to-month extensions, for a maximum term of five (5) years and six (6) months. The Contractor is in compliance with all Board, Chief Administrative Office and County Counsel requirements.

The Contract expressly provides that the County has no obligation to pay for expenditures by All Direct that exceed the maximum Contract Sum. Further, All Direct will not be asked to perform services that exceed the Contract amount, scope of work, or Contract dates of the Contract. Additionally, the Contract contains performance standards, including liquidated damages for substandard and/or non-performance.

The attached Contract with All Direct has been reviewed and approved as to form by County Counsel.

### **CONTRACTING PROCESS**

In accordance with the County's competitive bid process, a Request for Proposals (RFP) was prepared and released to one-hundred and thirty (130) prospective firms listed in Attachment I, obtained from TTC's internal records and research, and the Office of Affirmative Action Compliance Community Business Enterprise Database list of mailing services vendors. In addition, a notice of the RFP was also posted on the Los Angeles County Bid Website. The RFP solicited proposals from qualified mailing services firms for the provision of intermittent and as-needed mailing services. Proposals were received from five (5) firms in response to the RFP: Adwest Mailers, Inc., All Direct, Mail-Pac, Inc. (Mail-Pac), JSJ Printing Corporation - DBA Penn Litho & Fulfillment, and Service Mailers, Inc. The proposal submitted by Mail-Pac did not meet the RFP minimum requirements and was disqualified. The remaining four proposals were evaluated and rated by a committee according to their responsiveness to criteria included in the RFP.

The proposal submitted by All Direct ranked highest of the four proposals evaluated. It met all of the minimum RFP requirements and was complete, detailed, and responsive to the RFP. All Direct's rate for the annual tax bill was the lowest submitted. The proposal clearly demonstrated that All Direct has a good understanding of the scope of work to be performed and the complexity of TTC's service requirements. As required by TTC, the proposal submitted by All Direct provided a description of All Direct's qualifications, their proposed approach to provide services, and a quality control plan. All Direct has verifiable experience providing mailings in excess of three (3) million pieces per month. All Direct is also the current mailing services contractor for TTC.

The Honorable Board of Supervisors  
May 3, 2005  
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Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise statistical information for All Direct and the three responsive proposers is included in Attachment II. All Direct is not a certified Small Business Enterprise (SBE)/Community Based Enterprise (CBE). The recommendation of All Direct is made without regard to race, creed or color. There are no provisions for Cost Of Living Adjustment (COLA) in the attached Contract. This is not a Proposition A Contract and therefore, is exempt from the Living Wage Program (County Code Chapter 2.201).

### **IMPACT ON CURRENT SERVICES**

The current contract for mailing services expires on May 31, 2005. This Contract will enable TTC to continue to meet critical mailing deadlines such as those imposed by the Revenue and Taxation Code, including mailing over 2.3 million annual tax bills in a timely manner.

### **CONCLUSION**

Instruct the Executive Officer/Clerk of the Board to return two (2) signed originals of the Contract and one (1) adopted Board letter to TTC.

Respectfully submitted,



**MARK J. SALADINO**  
Treasurer and Tax Collector

MJS:jb  
MS Board Letter 2005  
Attachments (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

**A Mailing Services**

3128 Pacific Coast Highway  
Torrance, CA 90505

**A.B. Data LTD**

LIZ HENRICKS  
4057 North Wilson Drive  
Milwaukee, WI 53211

**A-1 Textiles**

Carol A. Moran  
P.O. Box 5259  
Chatsworth, CA 91313

**AAA Direct Mail**

7741 Alabama Ave, Suite 1  
Canoga Park, CA 91304

**Aames Mailing Services**

5068 W. Washington Blvd.  
Los Angeles, CA 90016

**Abbey Mailing Service**

5225 Wilshire Blvd., Suite 316  
Los Angeles, CA 90036

**ACTION MARKETING, INC.**

KIM BAKER  
550 S. MELROSE STREET  
PLACENTIA, CA 92870

**ACXIOM CORPORATION**

KENN GARY  
9171 OSO AVENUE  
CHATSWORTH, CA 91311

**ADVANCE BUSINESS GRAPHICS**

ROSE MAHOUSKI  
3810 WABASH DRIVE  
MIRA LOMA, CA 91752-1134

**Advance Direct Mail Services**

754 N. Maclay Avenue  
San Fernando, CA 91340

**Adwest Mailers Inc.**

FRANK GRIJALVA  
13013 Saticoy St.  
North Hollywood, CA 91605

**Aeronet Worldwide**

Felipe Arjonilla  
P.O. Box 17239  
Irving, CA 92623

**All American Mail & Parcel**

3405 Glendale Blvd.  
Los Angeles, CA 90039

**All Direct Mail Services**

DAVID MERCY  
7040 Lankershim Blvd.  
North Hollywood, CA 91605

**AMERICAN MAIL CENTERS**

ELODIA CAMALICH  
1025 SOUTH LINWOOD AVE.  
SANTA ANA, CA 92705-4323

**AMERICAN MAILING SERVICE**

DICK TELKAMP  
908 N. HOLLYWOOD WAY  
BURBANK, CA 91505

**BELL & HOWELL**

HANS TAKEDA  
1370 S. VALLEY VISTA #10  
DIAMOND BAR, CA 91765

**Bill's Services**

1770 N. Highland Ave. #H  
Los Angeles, CA 90028

**BOLDT MAILING SERVICE**

TIM BOLDT  
16103 MONTOYA STREET  
IRWINDALE, CA 91706

**Business Mailing Center**

7101 Case Ave.  
North Hollywood, CA 91605

**BUS-LET, INC DBA ADCRAFT**

**BUSINESS MAIL**  
CHRISTY R. WARNER  
6501 SO. AVALON BLVD.  
LOS ANGELES, CA 90003-1933

**CAL COAST DATA ENTRY**

DON CASTLE  
11090 ARTESIA BLVD, UNIT D  
ARTESIA, CA 90703

**CC3**

TRACI BRADLEY  
7300 FLORES STREET  
DOWNEY, CA 90242

**CCENTRIC**

GERALD ABRAHAMIAN  
360 WEST LEXINGTON DRIVE  
GLENDALE, CA 91203

**City Business Service & Shipping**

225 East 9th Street  
Los Angeles, CA 90015

**CLERICORP**

SHERRY BAILEY  
6829 LANKERSHIM BLVD  
NORTH HOLLYWOOD, CA 91605

**COMMUNITY MAILERS & PRINTERS**

DIANE SMITH  
515 S. FAIRFAX AVE  
LOS ANGELES, CA 90036-3130

**Corporate Presort**

Christopher L. Hayes  
1000 Del Norte Blvd.  
Oxnard, CA 93030

**DATA MARKETING INC**

ROBERT HEINRICH  
P.O. BOX 519  
SANTA CLARA, CA 95052

**DATAPROSE BILLING SOLUTIONS**

DAVE JOCHMAN  
1451 N. RICE AVE, SUITE A  
OXNARD, CA 93030

**Delta Express**

1308 Wilshire Blvd.  
Los Angeles, CA 90017

**DIVERSIFIED INFORMATION TECHNO**

LYNN BLADES  
123 WYOMING AVENUE  
SCRANTON, PA 18503

**DOLPHIN DATA, INC**

AUDRE MARTINEZ-KELLER  
4920 SANTA ANITA AVE  
EL MONTE, CA 91731

**Executive Carrier Service**

Brenda Davis  
3982 S. Figueroa St., Suite 205  
Los Angeles, CA 90037

**Garai Mailing Services**

21430 Strathem St., Unit K  
Canoga Park, CA 91304

**IMPRESSIVE PRINTING**

MARK SANDERS  
1055 MELLOW LANE  
SIMI VALLEY, CA 93065

**INTERNATIONAL PLASTIC CARDSINC**

CARLA REED  
366 CORAL CIRCLE  
EL SEGUNDO, CA 90245-4631

**KAYE-SMITH ENT.**

VICKI LABARGE  
7587 LAS POSITAS ROAD  
LIVERMORE, CA 94551

**LICHER DIRECT MAIL & PRINTING**

WAYNE LICHER  
980 SECO ST  
PASADENA, CA 91103

**Mail Pac**

James Ekas  
8430 Tujunga Ave.  
Sun Valley, CA 91352

**Digital Media Source**

Victor Gonzalez  
7822 Florence Avenue, Suite 228  
Downey, CA 90241

**Diversified Mailing**

1301 Burton St.  
Fullerton, CA 92631

**Eagle Rock Mail Center**

2272 Colorado Blvd.  
Los Angeles, CA 90041

**Fairview Construction Company**

David Stewart  
1317 North La Brea Avenue  
Inglewood, CA 90302

**GS&W SERVICES**

MICHELLE PETTUS  
P.O. BOX 703  
WALNUT, CA 91789

**IN PRODUCTION**

TONY TORRES  
270 BRISTOL ST., SUITE 200  
COSTA MESA, CA 92626

**J&K ENTERPRISES**

JEFF YRIARTE  
3053 RANCHO VISTA BLVD  
PALMDALE, CA 93551

**LASER PRINTERS & MAILING SERVICES, LLC**

KATY MILWARD  
6706 NE LOOP 410  
SAN ANTONIO, TX 78219-4416

**MADISON ADVISORS**

KEMAL CARR  
4001 MARTIN PKWY  
COLLEYVILLE, TX 76034-4935

**Mail Service**

1441 Huntington Drive  
South Pasadena, CA 91030

**Direct Mail Programs**

5910 E. Washington Blvd.  
Los Angeles, CA 90040

**Dolphin Data**

4920 Santa Anita Avenue  
El Monte, CA 91731

**Enterprise Courier DBA Kayin Inc.**

Louis Green  
26893 Bouquet Canyon Rd., Suite C #345  
Santa Clarita CA 91350-2376

**FYI SERVICES**

LINDA WEST  
1217 S. LELAND ST.  
SAN PEDRO, CA 90731-3917

**Hooven Direct Mail**

14527 S. San Pedro St.  
Gardena, CA 90248

**INTEGRATED MANAGEMENT RESOURCE**

DAVID RACOSKY  
4550 FORBES BLVD, SUITE 130  
LANHAM, MD 20706

**Johnson Energy Company**

Michael Johnson  
1 Prestige Place, Suite 535  
Miamisburg, OH 45342

**Leepack Trading Corp**

Jun Lee  
824 S. Los Angeles St., #203  
Los Angeles, CA 90014

**Mail Masters**

20611 Beldshw Avenue  
Carson, CA 90746

**Mailing Masters**

4368 West 8th Street  
Los Angeles, CA 90005

**MAIL-PAC INC**  
BOB CHOMUK  
8430 TUJUNGA AVE  
SUN VALLEY, CA 91352

MERCURY MAILING SYSTEMS INC  
PAUL HOOD  
8223 SANTA MONICA BLVD  
WEST HOLLYWOOD, CA 90046-  
5912

**Meyer & Son Mailing Systems**  
3930 Whiteside Street  
Los Angeles, CA 90063

**MILLER PRODUCTIONS  
INTERNATIONAL**  
LAWRENCE S. MILLER  
1232 VILLAGE WAY, SUITE J  
SANT ANA, CA 92705-4746

**ML Hall Mailing Service**  
13918 Valley Blvd.  
La Puente, CA 91746

**Monterey Business Center**  
5904 Monterey Road  
Los Angeles, CA 90042

**NATIONAL PAPERS**  
BRUCE SCHILLER  
7870 DEERING AVE.  
CANOGA PARK, CA 91304

**On-DA-Go Express Shuttle**  
Roslin Edwards  
1946 W. 73rd St.  
Los Angeles, CA 90047

**PAT DAVIS DESIGN GROUP**  
GEORGE DIMO  
442 HOWE AVENUE  
SACRAMENTO, CA 95825-5507

**PITNEY BOWES CORPORATION  
(GMS)**  
KEN MULHOLLAND  
6300 WILSHIRE BLVD.  
LOS ANGELES, CA 90048

**Master-Sort Inc**  
1831 S. Ritchey St.  
Santa Ana, CA 92705-4713

**Mercury Mailing Systems Inc.**  
8223 Santa Monica Blvd  
West Hollywood, CA 90046

**MILLENNIUM DIRECT INC.**  
NATHAN DYER  
2840 S. RESERVOIR  
POMONA, CA 91766

**Mini Mailers Inc.**  
5767 E. Washington Blvd.  
Los Angeles, CA 90040

**MOBILE OFFICE ASSISTANTS**  
REBECCA FLORES  
920-A WEST 17TH STREET  
SANTA ANA, CA 92706

**Moore Business Forms**  
3100 Bristol Street, Suite 500  
Costa Mesa, CA 92626-3051

**NATIONWIDE ADVERTISING SVC**  
DEENIA GUY  
15303 VENTURA BLVD #1050  
SHERMAN OAKS, CA 91403

PAC PRO  
APRIL JOHNSON  
11301 W. OLYMPIC BLVD.  
WEST LOS ANGELES, CA 90064

**PENN LITHOGRAPHICS**  
LYNDI ALONGI  
16221 ARTHUR STREET  
CERRITOS, CA 90703

**PITNEY BOWES DOCSENSE**  
ALAN G MORGAN  
2200 WESTERN COURT, SUITE  
100  
LISLE, IL 60532

MCRB FULFILLMENT  
KENN GARY  
20660 NORDOFF STREET  
CHATSWORTH, CA 91311

METRO FULFILLMENT, INC  
RICK CORRAL  
27540 AVE. MENTRY  
VALENCIA, CA 91355

**MILLENNIUM FINANCIAL CORP**  
ALFONSO SOTO  
471 W. LAMBERT ROAD, SUITE  
103  
BREA, CA 92821

**MINI MAILERS, INC.**  
J. HECTOR VARGAS  
5700 BANDINI BLVD  
COMMERCE, CA 90040

**Monrovia Mailing Co.**  
900 S. Magnolia Ave., Suite D  
Monrovia, CA 91016

**Name Inc.**  
16921 S. Western Ave.  
Gardena, CA 90247

**NEOPOST**  
LELAND E. MC COY  
790 E. Colorado Blvd., Suite 100  
Pasadena, CA 91101

**Pacific Industrial Services, Inc.**  
Carmella Huger  
3121 E. La Palma Ave., Unit Z  
Anaheim, CA 92806

Pitney Bowes  
Beth Mulholland  
6300 Wilshire Blvd. 8th Floor  
Los Angeles, CA 90048

**Postalia Inc.**  
George Lostracco  
3043 Foothill Blvd., #9  
La Crescenta, CA 91214

**Preferred Packaging Inc. Damji and Premji**  
Sal Damji  
11649 Pendleton Street  
Sun Valley, CA 91352

**PROFESSIONAL STAFFING**  
KALA TAYLOR  
950 FULTON AVE, SUITE 230  
SACRAMENTO, CA 95825

**PSI GROUP, INC**  
JOHN SZOZDA  
10029 BRADLEY AVE  
PACOIMA, CA 91331-4463

**Reliable Graphics, Inc.**  
Natalie Mares  
15013 Califa Street  
Van Nuys, CA 91411-3170

**S & G Diversified Products**  
Greg Green  
P.O. Box 1195  
Chino Hills, CA 91709

**SIERRA CREATIVE SYSTEMS, INC.**  
KENT MOON  
7283 BELLAIRE AVE, UNIT 2  
NORTH HOLLYWOOD, CA 92821

**SOUTHLAND MAILING**  
CHUCK FAVELA  
44 W. BELLEVUE DR. SUITE 1  
PASADENA, CA 91105-2546

Star Mailing Service  
3050 Rosslyn Street  
Los Angeles, CA 90065

**Telesca Trucking Co.**  
Maria Heinrich Telesca  
2309 Torrance Blvd., #204  
Torrance, CA 90501

**TT Mailing Service**  
575 East Edna Place  
Covina, CA 91723

**PRESORT PARTNERS, ANCORA**  
PETER BROWN  
245 CARL KARCHER WAY  
ANAHEIM, CA 92801

**PROFORMA SOLUTIONS**  
CONNIE K. HUNTER  
17011 BEACH BLVD. #820  
HUNTINGTON BEACH, CA 92647-5995

**R.L. KLEIN & ASSOCIATES**  
ROBERT L. KLEIN  
3939 ATLANTIC AVENUE, SUITE 100  
LONG BEACH, CA 90807-3536

**RELIZON**  
JOSE REYES  
2929 E. IMPERIAL HWY, SUITE 250  
BREA, CA 92821

**SCOTT & COOPER STAFFING SOLUTI**  
CASSANDRA COOPER  
6221 WILSHIRE BLVD. #407  
LOS ANGELES, CA 90048

**SOLUTIONS & MORE**  
MARTIN LAUREL  
1062 E. CYPRESS AVE  
COVINA, CA 91724

**SS ALLIANCE, INCSUPPORT SERVICES**  
RENEE  
2708 45TH STREET  
HIGHLAND, IN 46322

SUNSET PRINTING COMPANY INC  
KIMBERLY LANFRE-MAY  
16301 S. BROADWAY  
GARDENA, CA 90248

**THE PROCESSORS**  
MARK PERONE  
2396 BATEMAN AVE  
DURATE, CA 91010-2396

**United Presort Services**  
4920 S. Soto Street  
Vernon, CA 90058

**Professional Mailing Services**  
2133 South Bundy Drive  
Los Angeles, CA 90064

**PROSELLER, INC.**  
KAMY YADEGARAN  
4924 BALBOA BLVD #397  
ENCINO, CA 91436-3402

**RDB Enterprises LLC**  
P.O. Box 5233  
Kansas City, MO 64112

**Rocky Lee Electric Co.**  
Uisuk Rocky Lee  
7250 Bandini Blvd. #204  
City of Commerce, CA 90040

Service Mailers, Inc.  
JUDY STANLEY  
3101 Exposition Place  
Los Angeles, CA 90018

**South Bay Mailing Services**  
1205 Bow Avenue  
Torrance, CA 90501

**Standard Register Co.**  
251 S. Lake Ave., #510  
Pasadena, CA 91101-3003

**Target Mailing Services, Inc.**  
1905 South Mountain Ave.  
Monrovia, CA 91016

**TRANSAMERICAN MAILING & FULFILLMENT, INC.**  
BRANDI DAVIS  
355 STATE PLACE  
ESCONDIDO, CA 92029

**USCB, INC**  
ALBERT CADENA  
125 S. VERMONT AVE  
LOS ANGELES, CA 90004-9990



**Valentine Direct Mail**  
7730 Jefferson St.  
Paramount, CA 90723

**VALLEY COURIERS, INC.**  
C. SHAHRAM ALAMDARI  
646 SAN FERNANDO RD.  
LOS ANGELES, CA 90065

**VISTA HEALTH INFORMATION  
SRVCS**  
LIONEL BAKER  
17303 FALDA AVE  
TORRANCE, CA 90504-6251

**WEBTREND**  
CHRIS HOFFIE  
1311 SPECIALTY DRIVE  
VISTA, CA 92083-8521

**WESTERN DIRECT, INC**  
NAZ KEYNEJAD  
11301 W. OLYMPIC BLVD. #5  
LOS ANGELES, CA 90064

**WHITTIER MAILING SERVICE**  
RICH CASFORD  
12435 MAR VISTA STREET  
WHITTIER, CA 90602

**XL LOGISTICS INC**  
KYLE KELLER  
7547 TELEGRAPH ROAD  
MONTEBELLO, CA 90640

**YESS ENTERPRISES**  
YOLANDA STRONG  
P.O. BOX 18644  
LOS ANGELES, CA 90018

**Zip Direct**  
8655 Tamarack Avenue  
Sun Valley, CA 91352

**24/7 Direct Mailing Services**  
Kathy Squires  
7716 Kester Avenue  
Van Nuys, CA 91405

## ORGANIZATIONAL INFORMATION

	All Direct Mail Services, Inc.	Service Mailers, Inc.	Adwest Mailers, Inc.	Penn-Litho & Fulfillment
<b>TOTAL NUMBER OF EMPLOYEES/OWNERS/PARTNERS/ASSOCIATES</b>	120	100	17	230
Black/African American				
Hispanic/Latin American			1	
Asian American				
Filipino American				
American Indian/Alaskan				
All Others		2		13
Women (included in above)		1		10
<b>MANAGERS</b>				
Black/African American		1		3
Hispanic/Latin American	4	2	2	11
Asian American		1		
Filipino American				
American Indian/Alaskan				
All Others				20
Women (included in above)	0	3	1	14
<b>STAFF</b>				
Black/African American	1	1	14	30
Hispanic/Latin American	100	87		125
Asian American	3	1		
Filipino American				
American Indian/Alaskan				
All Others		4		27
Women (included in above)	54	45	9	75
<b>TYPE OF BUSINESS STRUCTURE: CORP. = C; PARTNER = P; SOLE PROPRIETOR = S</b>	C	C	C	C
<b>TOTAL NUMBER OF OWNERS/PARTNERS, ETC.</b>		2	1	N/A
<b>PERCENT OF OWNERSHIP:</b>				
Black/African American				
Hispanic/Latin American			100%	
Asian American				
Filipino American				
American Indian/Alaskan				
All Others	100%	100%		
Women (included in above)	33%	50%		
<b>CURRENT CERTIFICATION AS COMMUNITY BUSINESS ENTERPRISE (CBE) OWNED FIRM:</b>				
State of California - Yes/No	NO	NO	NO	NO
City of Los Angeles - Yes/No	NO	NO	NO	NO
Federal Government - Yes/No	NO	NO	NO	NO

For Informational purposes only. On final analysis and consideration of award, vendor was selected without regard to race, creed or color.



**CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**ALL DIRECT MAIL SERVICES INCORPORATED**

**FOR**

**MAILING SERVICES**

**MAILING SERVICES CONTRACT  
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**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
ALL DIRECT MAIL SERVICES INCORPORATED  
FOR  
MAILING SERVICES**

This Contract and Exhibits made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2005 by and between the County of Los Angeles, hereinafter referred to as "COUNTY" and All Direct Mail Services Incorporated, hereinafter referred to as "CONTRACTOR." CONTRACTOR is located at 7040 Lankershim Blvd., North Hollywood, CA 91605-5803.

**RECITALS**

WHEREAS, pursuant to Government Code Section 31000, COUNTY is permitted to contract for services; and

WHEREAS, the COUNTY desires to contract with a private business for Mailing Services and the COUNTY has determined that the Mailing Services to be provided under this Contract are extraordinary and necessary; and

WHEREAS, the CONTRACTOR is a private firm specializing in providing Mailing Services, herein after referred to as "Services;" and

WHEREAS, CONTRACTOR has submitted a proposal to the TTC for the provision of Mailing Services and based upon the request for proposal process, CONTRACTOR has been selected for recommendation for award of such Contract.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

## **1.0 APPLICABLE DOCUMENTS**

- 1.1 Exhibits A, B, C, D, E, F, G1, G2, H, I, J, K, and L are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, good, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

### **Exhibits:**

- 1.1.1 EXHIBIT A - Statement of Work
  - 1.1.2 EXHIBIT B - Pricing Schedule
  - 1.1.3 EXHIBIT C - County's Administration
  - 1.1.4 EXHIBIT D - Contractor's Administration
  - 1.1.5 EXHIBIT E - Contractor's Equal Employment Opportunity (EEO) Certification
  - 1.1.6 EXHIBIT F - Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form
  - 1.1.7 EXHIBIT G1 -Employee Acknowledgement and Confidentiality Agreement
  - 1.1.8 EXHIBIT G2 -Non-Employee Acknowledgement and Confidentiality Agreement
  - 1.1.9 EXHIBIT H - Auditor-Controller Contract Accounting and Administration Handbook
  - 1.1.10 EXHIBIT I - Internal Revenue Notice 1015
  - 1.1.11 EXHIBIT J - Jury Service Certification
  - 1.1.12 EXHIBIT K - Jury Service Ordinance
  - 1.1.13 EXHIBIT L - Safely Surrendered Baby Fact Sheets
- 1.2 This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Section 16.0, Change Notices and Amendments.

## **2.0 DEFINITIONS**

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, whether singular or plural and with initial letter capitalized or not unless otherwise apparent from the context in which they are used.



- 2.1 **Contract:** Agreement executed between COUNTY and CONTRACTOR. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.2 **CONTRACTOR:** The sole proprietor, partnership, or corporation that has entered into a Contract with the COUNTY to perform or execute the work covered by the Statement of Work.
- 2.3 **CONTRACTOR's Project Manager:** The individual designated by the CONTRACTOR to administer the Contract operations after the Contract award.
- 2.4 **COUNTY's Contract Administrator:** Person designated by COUNTY with authority for COUNTY on contractual or administrative matters relating to this Contract.
- 2.5 **COUNTY's Contract Manager:** Person designated by TTC to oversee the day-to-day operation and inspect all tasks, deliverables, or other work provided by CONTRACTOR relating to this Contract.
- 2.6 **Day(s):** Calendar day(s) and not business or workday(s) unless otherwise specifically stated.
- 2.7 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.8 **TTC:** The Los Angeles County Office of Treasurer and Tax Collector.
- 2.9 **Treasurer and Tax Collector:** The head of the Los Angeles County Office of Treasurer and Tax Collector.

### 3.0 WORK

- 3.1 Pursuant to the provisions of this Contract, the CONTRACTOR shall fully perform, complete, and deliver on time, all tasks, deliverables, services and other work as set forth in the Statement of Work, Exhibit A.
- 3.2 If the CONTRACTOR provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the CONTRACTOR, and the CONTRACTOR shall have no claim whatsoever against the COUNTY.

#### **4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall be one (1) year commencing on June 1, 2005, or upon approval by COUNTY's Board of Supervisors, whichever is later, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The COUNTY shall have the sole option to extend the Contract term for up to four (4) additional one-year periods and six (6) month-to-month extensions, for a maximum total Contract term of five (5) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the Treasurer and Tax Collector.
- 4.3 CONTRACTOR shall notify TTC when this Contract is within six (6) months from the expiration of each one-year term as provided for hereinabove. Upon occurrence of this event, CONTRACTOR shall send written notification to TTC at the address herein provided in Exhibit C - COUNTY's Administration.

#### **5.0 CONTRACT SUM**

- 5.1 COUNTY and CONTRACTOR agree that this is a firm-fixed price Contract. During the term of this Contract, COUNTY shall compensate CONTRACTOR for the Services set forth in Exhibit A, Statement of Work, and at the rate of compensation set forth in Exhibit B, Pricing Schedule.
- 5.2 CONTRACTOR shall be paid in accordance with Exhibit B, Pricing Schedule for all work performed under this Contract. TTC does not guarantee a minimum Contract Sum.
- 5.3 The maximum Contract Sum under the terms of this Contract shall be the total monetary amount payable by COUNTY to CONTRACTOR for provision of the Services specified herein in accordance with Exhibit B, Pricing Schedule, and shall not exceed \$275,000 for the first year of this Contract.
- 5.3 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 TTC's express prior written approval.

5.4 CONTRACTOR shall maintain a system of record keeping that will allow CONTRACTOR to determine when it has incurred seventy-five percent (75%) of total contract authorization under this Contract. Upon occurrence of this event, CONTRACTOR shall send written notification to TTC at the address herein provided in Exhibit C - COUNTY's Administration.

5.5 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.

**5.6 No Payment for Services Provided Following Expiration/Termination of Contract**

CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Contract. Should CONTRACTOR receive any such payment it shall immediately notify TTC and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Contract shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

**6.0 INVOICES AND PAYMENTS**

6.1 The CONTRACTOR shall invoice TTC only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A - Statement of Work and elsewhere hereunder. The CONTRACTOR shall not be entitled to payment or reimbursement of any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. The CONTRACTOR shall prepare invoices, which shall include the charges owed to the CONTRACTOR by the COUNTY under the terms of this Contract. The CONTRACTOR's payments shall be as provided in Exhibit B - Pricing Schedule, and the CONTRACTOR shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the TTC. If the TTC does not approve work in writing no payment shall be due to the CONTRACTOR for that work.

6.1.2 The CONTRACTOR's invoices shall be priced in accordance with Exhibit B - Pricing Schedule.

- 6.1.3 The CONTRACTOR's invoices shall contain the information set forth in Exhibit A - Statement of Work describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.
- 6.1.4 The CONTRACTOR shall submit the monthly invoices to the TTC by the 15<sup>th</sup> calendar day of the month following the month of service.
- 6.1.5 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide CONTRACTOR's Tax Identification Number.
- 6.1.6 CONTRACTOR shall submit to TTC all invoices for approval. CONTRACTOR shall submit a signed original and a complete copy of each invoice to the following address:

Los Angeles County  
Treasurer and Tax Collector  
Accounts Payable  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

**6.2 COUNTY Approval of Invoices.** All invoices submitted by the CONTRACTOR for payment must have the written approval of the COUNTY's Contract Manager prior to any payment thereof. In no event shall the COUNTY be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld and should not take longer than two (2) weeks following receipt of properly prepared invoices by the COUNTY. Payment shall be made to CONTRACTOR in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Contract. COUNTY shall attempt to authorize payment within thirty (30) days following receipt of invoice, provided that all work performed during the preceding month has been reviewed, accepted, signed and dated by the COUNTY's Contract Manager or designee.

6.2.1 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Any overpayment received by CONTRACTOR, as determined by COUNTY's Contract Manager, or designee, shall be returned to COUNTY by

CONTRACTOR within thirty (30) days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR.

6.2.2 Notwithstanding any other provision of this Contract, CONTRACTOR shall return to COUNTY any and all payments, which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR shall return said payments within thirty (30) days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever is earlier.

## **7.0 ADMINISTRATION OF CONTRACT - COUNTY**

### **COUNTY ADMINISTRATION**

A listing of all COUNTY Administration referenced in the following Section are designated in Exhibit C - COUNTY's Administration. The COUNTY shall notify the CONTRACTOR in writing of any change in the names or addresses shown.

#### **7.1 COUNTY's Contract Administrator**

Responsibilities of the COUNTY's Contract Administrator include but may not be limited to:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Section 16.0, Change Notices and Amendments; and
- providing direction to CONTRACTOR in the areas relating to COUNTY policy, information requirements, and procedural requirements.

#### **7.2 COUNTY's Contract Manager**

The responsibilities of the COUNTY's Contract Manager include but may not be limited to:

- meeting with CONTRACTOR's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of CONTRACTOR.
- Overseeing the day-to-day administration of this Contract.

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

## **8.0 ADMINISTRATION OF CONTRACT – CONTACTOR**

### **8.1 CONTRACTOR’s Project Manager**

- 8.1.1 CONTRACTOR’s Project Manager is designated in Exhibit D - Contractor’s Administration. The CONTRACTOR shall immediately notify the COUNTY in writing of any change in the name or address of the CONTRACTOR’s Project Manager in accordance with Section 45.0, Notices.
- 8.1.2 CONTRACTOR’s Project Manager shall be responsible for CONTRACTOR’s day-to-day activities as related to this Contract.
- 8.1.3 CONTRACTOR’s Project Manger shall be authorized to act on behalf of the CONTACTOR.
- 8.1.4 CONTRACTOR shall assign and maintain a Project Manager throughout the entire term of this Contract.

## **9.0 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 Project Manager.

## **10.0 CONTRACTOR’S STAFF IDENTIFICATION**

- 10.1 CONTRACTOR shall provide a photo identification badge that includes at minimum the employee’s color photo, name and company name. CONTRACTOR staff, when entering a COUNTY facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.

## **11.0 BACKGROUND AND SECURITY INVESTIGATIONS**

- 11.1 All CONTRACTOR staff performing work under this Contract may be required to undergo and pass, to the satisfaction of COUNTY, a Department of Justice (DOJ) background investigation or other background investigation as a condition of beginning and/or continuing to work under this Contract. 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.
  - 11.1.1 COUNTY may request that CONTRACTOR’s staff be immediately removed from working on this 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.

11.1.2 COUNTY may immediately deny or terminate facility access to CONTRACTOR's staff that 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.

11.1.3 Disqualification, if any, of CONTRACTOR staff, pursuant to this Section 11.0, shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Contract.

## **12.0 CONFIDENTIALITY**

12.1 The CONTRACTOR shall maintain the confidentiality of all records obtained from the COUNTY under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

12.1.1 The CONTRACTOR shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The CONTRACTOR shall cause each employee performing services covered by this Contract to sign and adhere to the "Employee Acknowledgment, and Confidentiality Agreement," Exhibit G1.

12.1.2 The CONTRACTOR shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Non-Employee Acknowledgment, and Confidentiality Agreement," Exhibit G2.

## **13.0 ASSIGNMENT AND DELEGATION**

13.1 The CONTRACTOR shall not assign its rights or delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the Treasurer and Tax Collector. Any unapproved assignment or delegation shall be null and void. Any payments by the TTC to any approved delegate or assignee on any claim under this Contract shall be deductible, at TTC's sole discretion, against the claims, which the CONTRACTOR may have against the COUNTY.

13.2 If any assumption, assignment, delegation, or takeover of any of the

CONTRACTOR's duties, responsibilities, obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without TTC's express prior written approval, may result in the termination of this Contract.

#### **14.0 AUTHORIZATION WARRANTY**

The CONTRACTOR represents and warrants that the person executing this Contract for the CONTRACTOR is an authorized agent who has actual authority to bind the CONTRACTOR to each and every term, condition, and obligation of this Contract and that all requirements of the CONTRACTOR have been fulfilled to provide such actual authority.

#### **15.0 BUDGET REDUCTIONS**

In the event that the COUNTY's Board of Supervisors adopt, 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 services provided by the CONTRACTOR under this Contract. The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions. The CONTRACTOR shall continue to provide all of the services set forth in the Contract.

#### **16.0 CHANGE NOTICES AND AMENDMENTS**

16.1 The COUNTY reserves the right to initiate Change Notices that do not affect the scope of work, term, Contract Sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the CONTRACTOR and by the COUNTY's Contract Administrator.

16.2 For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the COUNTY Board of Supervisors, except that TTC is expressly authorized to increase the Contract Sum set forth in Section 5.0, Contract Sum, not to exceed fifteen percent (15%) of the total Contract Sum for a particular Contract year based on an increase in work volume. Any such change shall be in writing and signed by the CONTRACTOR and the Treasurer and Tax Collector.



- 16.3 The COUNTY's Board of Supervisors or Chief Administrative Officer or designee may require the addition and/or change of certain terms and conditions in this Contract during the term of this Contract. The COUNTY reserves the right to add and/or change such provisions as required by the COUNTY's Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the CONTRACTOR and by the Treasurer and Tax Collector or his/her designee.
- 16.4 The Treasurer and Tax Collector, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The CONTRACTOR agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the CONTRACTOR and by the Treasurer and Tax Collector. TTC shall provide CONTRACTOR with a written notice of intent to extend the Contract in writing within thirty (30) calendar days prior to the expiration of the Contract.

## **17.0 COMPLAINTS**

- 17.1 The CONTRACTOR shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.
- 17.2 Within ten (10) business days after Contract effective date, the CONTRACTOR shall provide the COUNTY Contract Manager with the CONTRACTOR's policy for receiving, investigating and responding to user complaints.
- 17.2.1 The COUNTY Contract Manager or designee will review the CONTRACTOR's policy and provide the CONTRACTOR with approval of said plan or with requested changes.
- 17.2.2 If the COUNTY Contract Manager requests a change(s) in the CONTRACTOR's policy, the CONTRACTOR shall make such changes and resubmit the plan within five (5) business days.
- 17.2.2.1 If, at any time, the CONTRACTOR wishes to change the CONTRACTOR's policy, the CONTRACTOR shall submit proposed changes to the COUNTY for approval before implementation.
- 17.2.3 The CONTRACTOR shall preliminarily investigate all complaints and notify the COUNTY's Contract Manager of the

status of the investigation within five (5) business days of receiving the complaint.

17.2.4 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

17.2.4.1 Copies of all written responses shall be sent to the COUNTY's Contract Manager within three (3) business days of mailing to the complainant.

## **18.0 COMPLIANCE WITH APPLICABLE LAW**

18.1 The CONTRACTOR shall comply with all applicable federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

18.2 The CONTRACTOR shall indemnify and hold harmless the COUNTY from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the CONTRACTOR or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

## **19.0 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The CONTRACTOR hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The CONTRACTOR shall comply with Exhibit E - Contractor's EEO Certification.

## **20.0 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **20.1 Jury Service Program:**

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

### **20.2 Written Employee Jury Service Policy.**

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

20.2.1.1 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 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 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 the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

20.2.1.2 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately

notify COUNTY if CONTRACTOR at any time either comes within the Jury Service Program's definition of "Contractor" or if CONTRACTOR no longer qualifies for an exception to the Jury Service 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 Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.

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

## **21.0 CONFLICT OF INTEREST**

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

21.2 The CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The CONTRACTOR warrants that it is not now aware of any facts that create a conflict of interest. If the CONTRACTOR hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the COUNTY. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of

all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

**22.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the 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 life of this Contract.

**23.0 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

23.1 Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract, the CONTRACTOR shall give consideration for any such employment openings to participants in the COUNTY's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the CONTRACTOR's minimum qualifications for the open position. For this purpose, consideration shall mean that the CONTRACTOR will interview qualified candidates.

23.1.1 The COUNTY will refer GAIN/GROW participants by job category to the CONTRACTOR. CONTRACTOR shall contact the nearest GAIN/GROW office to obtain referrals. A list of GAIN/GROW offices may be obtained via the internet at: <http://www.ladpss.org/dpss/gainservices/default.cfm>

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

**24.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**24.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the COUNTY's policy to conduct business only with responsible Contractors.

**24.2 Chapter 2.202 of the County Code**

The CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the COUNTY acquires information concerning the performance of the CONTRACTOR on this or other contracts which indicates that the CONTRACTOR is

not responsible, the COUNTY may, in addition to other remedies provided in the 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 not to exceed three (3) years, and terminate any or all existing Contracts the CONTRACTOR may have with the COUNTY.

### **24.3 Non-responsible Contractor**

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

### **24.4 Contractor Hearing Board**

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

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

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

Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**24.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of COUNTY Contractors.

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

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 position in the Subcontractor's place of business. The COUNTY's Department of Children and Family Services will supply the CONTRACTOR with the poster to be used.

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

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

26.2 As required by the COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the CONTRACTOR's duty under this Contract to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall during the term of this Contract 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 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).

**27.0 COUNTY'S QUALITY ASSURANCE PLAN**

The COUNTY or its agent will evaluate the CONTRACTOR's performance

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

## **28.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

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

28.2 If CONTRACTOR fails to make timely repairs, or repairs are not to the satisfaction of COUNTY, COUNTY may make any necessary repairs. All costs incurred by COUNTY, as determined by COUNTY, for such repairs shall be repaid by CONTRACTOR by cash payment upon demand.

## **29.0 EMPLOYMENT ELIGIBILITY VERIFICATION**

29.1 The CONTRACTOR warrants that it fully complies with all federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in federal and State statutes and regulations. The CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The CONTRACTOR shall retain all such documentation for all covered employees for the period prescribed by law.

29.2 The CONTRACTOR shall indemnify, defend, and hold harmless, the COUNTY, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the CONTRACTOR or the COUNTY or both in connection with any alleged violation of any federal or State statutes or regulations pertaining to the eligibility for employment of any persons



performing work under this Contract.

### **30.0 FAIR LABOR STANDARDS**

The CONTRACTOR shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the COUNTY and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the CONTRACTOR's employees for which the COUNTY may be found jointly or solely liable.

### **31.0 GOVERNING LAW, JURISDICTION, AND VENUE**

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

### **32.0 INDEPENDENT CONTRACTOR STATUS**

32.1 This Contract is by and between the COUNTY and the 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 the COUNTY and the CONTRACTOR. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

32.2 The CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The COUNTY shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the CONTRACTOR.

32.3 The CONTRACTOR understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the CONTRACTOR and not employees of the COUNTY. The CONTRACTOR shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the CONTRACTOR pursuant to this

Contract.

32.4 As previously instructed in Section 12.0, Confidentiality, the CONTRACTOR shall cause each employee performing services covered by this Contract to sign and adhere to the "Employee Acknowledgment and Confidentiality Agreement," Exhibit G1. The CONTRACTOR shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Non-Employee Acknowledgment, and Confidentiality Agreement," Exhibit G2 as applicable.

### **33.0 INDEMNIFICATION**

CONTRACTOR shall indemnify, defend and hold harmless the COUNTY, its Special Districts, elected and appointed officers, employees, and agents (hereafter in this Section 33.0 "COUNTY") from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses including but not limited to defense costs and legal fees, accounting and other expert, consulting or professional fees, in any way arising from or related to claims and lawsuits for damages of any nature whatsoever, including, but not limited to bodily injury, death, personal injury, or property damage arising from or related to CONTRACTOR, CONTRACTOR's agents, employees' or subcontractors' acts and/or omissions in the performance of services or provision of products hereunder, including, without limitation, any workers' compensation suits, liability, or expense, arising from or connected with services performed by any person on behalf of CONTRACTOR, CONTRACTOR's agents, employees or subcontractors pursuant to this Contract.

### **34.0 GENERAL INSURANCE REQUIREMENTS**

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

**34.1 Evidence of Insurance:** Prior to commencing services under this Contract and throughout the term of this Contract, original certificate(s) or other evidence of coverage satisfactory to the COUNTY shall be delivered to:

Los Angeles County  
Treasurer and Tax Collector  
Contracts Administration  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the 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;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract;
- Identify any deductibles or self-insured retentions for the COUNTY's approval. The COUNTY retains the right to require the CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to the COUNTY, or, require the 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; and
- The name of the insured shall be the legal name of the CONTRACTOR as identified in this Contract.

34.2 CONTRACTOR is responsible for ensuring that evidence of required insurance is submitted timely to TTC upon any change, expiration, and/or cancellation of any policy and or coverage.

**34.3 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 the COUNTY.

**34.4 Failure to Maintain Coverage:** Failure by the CONTRACTOR to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the COUNTY, shall constitute a material breach of the Contract upon which the COUNTY may immediately terminate or suspend this Contract. The COUNTY, at its sole option, may obtain damages from the CONTRACTOR

resulting from said breach. Alternatively, the COUNTY may purchase such required insurance coverage, and without further notice to the CONTRACTOR, the COUNTY may deduct from sums due to the CONTRACTOR any premium costs advanced by the COUNTY for such insurance.

**34.5 Notification of Incidents, Claims or Suits:**

CONTRACTOR shall report to the COUNTY:

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the CONTRACTOR and/or the COUNTY. Such report shall be made in writing within 24 hours of occurrence.
- Any third-party claim or lawsuit filed against the CONTRACTOR arising from or related to services performed by the CONTRACTOR under this Contract.
- Any injury to a CONTRACTOR employee that occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report" to the COUNTY Contract Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, monies or securities entrusted to the CONTRACTOR under the terms of this Contract.

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

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

- The CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or
- The CONTRACTOR providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The 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** 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.”

**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 the CONTRACTOR is responsible.

36.3.1 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, neglect or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate. The coverage also shall provide an extended two-year reporting period commencing upon termination or cancellation of this Contract.

## 36.0 FINANCIAL STATEMENTS AND PENDING LITIGATION

36.1 Financial Statements

Beginning one (1) year after the commencement date and every year thereafter, until the expiration of this Contract, CONTRACTOR shall submit to TTC a complete set of audited financial statements for the previous twelve (12) month period. Such statements shall, at a minimum, include a Balance Sheet (Statement of Financial Position), and Income Statement (Statement of Operations). If audited statements are not available, a statement as to why they are unavailable shall accompany CONTRACTOR’s non-audited statements. COUNTY reserves the right to request financial

statements on a more frequent basis and will so notify CONTRACTOR in writing.

36.2 Pending Litigation

No less than annually, CONTRACTOR shall submit a statement regarding any pending litigation since CONTRACTOR last reported same to COUNTY.

**37.0 LIQUIDATED DAMAGES**

37.1 If, in the judgment of the Treasurer and Tax Collector, the CONTRACTOR is deemed to be non-compliant with the terms and obligations assumed hereby, the Treasurer and Tax Collector, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the CONTRACTOR's invoice for work not performed. The work not performed and the amount to be withheld or deducted from payments to the CONTRACTOR from the COUNTY will be forwarded to the CONTRACTOR by the Treasurer and Tax Collector, or his/her designee, in a written notice describing the reasons for said action.

37.2 If, the Treasurer and Tax Collector determines that there are deficiencies in the performance of this Contract that the Treasurer and Tax Collector deems are correctable by the CONTRACTOR over a certain time span, the Treasurer and Tax Collector will provide a written notice to the CONTRACTOR to correct the deficiency within specified timeframes. Should the CONTRACTOR fail to correct deficiencies within said timeframe, the Treasurer and Tax Collector may:

(a) Deduct from the CONTRACTOR's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or

(b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the CONTRACTOR to correct a deficiency within the specified timeframe. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Exhibit A, Statement of Work, Technical Exhibit A-1, hereunder, and that the CONTRACTOR shall be liable to the TTC for liquidated damages in said amount. Said amount shall be deducted from the COUNTY's payment to the CONTRACTOR; and/or

(c) Upon giving five (5) days notice to the CONTRACTOR for failure to correct the deficiencies, the COUNTY may correct any and all deficiencies and the total costs incurred by the COUNTY for completion of the work by an alternate source, whether it be COUNTY forces or separate private CONTRACTOR, will be deducted and forfeited from the payment to the CONTRACTOR from the COUNTY, as determined by the COUNTY.

37.3 The action noted in Section 37.2 shall not be construed as a penalty, but as adjustment of payment to the CONTRACTOR to recover the COUNTY cost due to the failure of the CONTRACTOR to complete or comply with the provisions of this Contract.

37.4 This Section shall not, in any manner, restrict or limit the COUNTY's right to damages for any breach of this Contract provided by law or as specified in the PRS or Section 37.2, and shall not, in any manner, restrict or limit the COUNTY's right to terminate this Contract as agreed to herein.

### **38.0 MOST FAVORED PUBLIC ENTITY**

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

### **39.0 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

39.1 The 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.

39.2 The CONTRACTOR shall certify to, and comply with, the provisions of Exhibit E - Contractor's EEO Certification.

39.3 The 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.

- 39.4 The 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, or physical or mental disability, marital status, or political affiliation.
- 39.5 The 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 Contract or under any project, program, or activity supported by this Contract.
- 39.6 The CONTRACTOR shall allow COUNTY representatives access to the CONTRACTOR's employment records during regular business hours to verify compliance with the provisions of this Section 39.0 when so requested by the COUNTY.
- 39.7 If, the COUNTY finds that any provisions of this Section 39.0 have been violated, such violation shall constitute a material breach of this Contract upon which the COUNTY may terminate or suspend this Contract. While the COUNTY reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices 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 the COUNTY that the CONTRACTOR has violated the anti-discrimination provisions of this Contract.
- 39.8 The parties agree that in the event the CONTRACTOR violates any of the anti-discrimination provisions of this Contract, 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 Contract.

#### **40.0 NON-EXCLUSIVITY**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with CONTRACTOR. This Contract shall not restrict TTC



from acquiring similar, equal or like goods and/or services from other entities or sources.

#### **41.0 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one business (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

#### **42.0 DISPUTE RESOLUTION PROCEDURE**

42.1 CONTRACTOR and COUNTY agree to act promptly and diligently to mutually resolve any disputes which may arise with respect to this Contract. All such disputes shall be subject to the provisions of this Section 42.0.

42.1.1 CONTRACTOR and COUNTY agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for a 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.

42.1.2 In the event of any dispute between the parties with respect to this Contract, CONTRACTOR and COUNTY shall submit the matter to their respective Project/Contract Managers for the purpose of endeavoring to resolve such dispute.

42.1.3 In the event that the Project/Contract Managers are unable to resolve the dispute within a reasonable time not to exceed five (5) working days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Assistant to Executive Director and COUNTY's Contract Administrator for further consideration and discussion to attempt to resolve the dispute.

42.1.4 In the event that CONTRACTOR's Assistant to Executive Director and COUNTY's Contract Administrator are unable to resolve the dispute within a reasonable time not to exceed five (5) days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director and to the Treasurer and

Tax Collector for further consideration and discussion to attempt to resolve the dispute.

42.2 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 42.0, 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).

42.3 Notwithstanding any other provision of this Contract, COUNTY's right to terminate this Contract pursuant to Section 54.0, Termination for Default, Section 53.0, Termination for Convenience, or any other termination provision hereunder, and COUNTY's right to seek injunctive relief to enforce the provisions of Section 12.0, Confidentiality, shall not be subject to this Section 42.0, Dispute Resolution Procedure.

#### **43.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The CONTRACTOR shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, Exhibit I.

#### **44.0 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit L of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

#### **45.0 NOTICES**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits C – COUNTY's Administration and D – Contractor's Administration. Addresses may be changed by either party giving ten (10) days prior written notice thereof to

the other party. The Treasurer and Tax Collector shall have the authority to issue all notices or demands required or permitted by the COUNTY under this Contract.

CONTRACTOR's notices to TTC shall be on company letterhead and signed by a person authorized to bind the CONTRACTOR in a contract.

#### **46.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Notwithstanding the above, the CONTRACTOR and the COUNTY agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

#### **47.0 PUBLIC RECORDS ACT**

47.1 Any documents submitted by CONTRACTOR; all information obtained in connection with the COUNTY's right to audit and inspect CONTRACTOR's documents, books, and accounting records pursuant to Section, 49.0, Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the COUNTY. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret," "confidential," or "proprietary." The COUNTY shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

47.2 In the event the COUNTY is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret," "confidential," or "proprietary," the CONTRACTOR agrees to defend and indemnify the COUNTY from all costs and expenses, including reasonable attorneys' fees, in action or liability arising under the Public Records Act.

#### **48.0 PUBLICITY**

48.1 The CONTRACTOR shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise

provided hereunder 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 publishing its role under this Contract within the following conditions:

- The CONTRACTOR shall develop all publicity material in a professional manner; and
- During the term of this Contract, the CONTRACTOR shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the COUNTY without the prior written consent of the COUNTY's Contract Administrator. The COUNTY shall not unreasonably withhold written consent.

48.2 The CONTRACTOR may, without the prior written consent of COUNTY, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Section 48.0 shall apply.

#### **49.0 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

49.1 The CONTRACTOR shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles and which meet the requirement of contract accounting described in the Auditor-Controller Contract Accounting and Operating Handbook, attached hereto as Exhibit H. The CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this Contract.

49.1.1 The CONTRACTOR agrees that the COUNTY, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the CONTRACTOR and shall be made available to the COUNTY during the term of this Contract and for a period of five (5) years thereafter unless the COUNTY's written permission is given to dispose of any such material prior to such time. If before the expiration of that time period, any litigation, claim, financial management review, or audit is started, the records shall be retained until all litigation, claims, financial management review, or audit findings involving the

records have be resolved and final action taken. All such material shall be maintained by the CONTRACTOR at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the COUNTY's option, the CONTRACTOR shall pay the COUNTY for travel, per diem, and other costs incurred by the COUNTY to examine, audit, excerpt, copy, or transcribe such material at such other location.

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

49.1.3 Failure on the part of the CONTRACTOR to comply with any of the provisions of this Section 49.0 shall constitute a material breach of this Contract upon which the COUNTY may terminate or suspend this Contract.

49.1.4 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the COUNTY may conduct an audit of the CONTRACTOR regarding the work performed under this Contract, and if such audit finds that the COUNTY's dollar liability for any such work is less than payments made by the COUNTY to the CONTRACTOR, then the difference shall be either: a) repaid by the CONTRACTOR to the COUNTY by cash payment upon demand or b) at the sole option of the COUNTY's Auditor-Controller, deducted from any amounts due to the CONTRACTOR from the COUNTY, whether under this Contract or otherwise. If such audit finds that the COUNTY's dollar liability for such work is more than the payments made by the COUNTY to the CONTRACTOR, then the difference shall be paid to the CONTRACTOR by the COUNTY by cash payment, provided that in no event shall the COUNTY's maximum obligation for this Contract exceed the funds appropriated by the COUNTY for the purpose of this Contract.

## 50.0 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' 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 Contract.

## 51.0 SUBCONTRACTING

51.1 The requirements of this Contract may not be subcontracted by the CONTRACTOR **without the advance approval of the TTC**. Any attempt by the CONTRACTOR to subcontract without the prior consent of the TTC may be deemed a material breach of this Contract.

51.2 If the CONTRACTOR desires to subcontract, the CONTRACTOR shall provide the following information promptly at the COUNTY's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the COUNTY.

51.3 The CONTRACTOR shall indemnify and hold the COUNTY harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were CONTRACTOR employees.

51.4 The CONTRACTOR shall remain fully responsible for all performances required of it under this Contract, including those that the CONTRACTOR has determined to subcontract, notwithstanding the COUNTY's approval of the CONTRACTOR's proposed subcontract.

51.5 The COUNTY's consent to subcontract shall not waive the COUNTY's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The CONTRACTOR is responsible to notify its subcontractors of this COUNTY right.

51.6 The COUNTY's Contract Administrator is authorized to act for and on behalf of the COUNTY with respect to approval of any subcontract and subcontractor employees.

51.7 The CONTRACTOR shall be solely liable and responsible for all payments or other compensation to all subcontractors and their

officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the COUNTY's consent to subcontract.

- 51.8 The CONTRACTOR shall obtain original certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the COUNTY from each approved subcontractor. CONTRACTOR shall be responsible for obtaining original certificates throughout the term of the approved subcontract as well as upon any change, cancellation or expiration of required insurances. The CONTRACTOR shall ensure delivery of all such documents to:

Los Angeles County  
Treasurer and Tax Collector  
Contracts Administration  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

before any subcontractor employee may perform any work hereunder and throughout the term of the subcontract.

- 51.9 If COUNTY approves a subcontract, CONTRACTOR shall provide COUNTY's Contract Manager a complete copy of the executed subcontract within 10 business days of execution as well as upon any change, extension or amendment.

**52.0 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the CONTRACTOR to maintain compliance with the requirements set forth in Section 26.0, 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 the COUNTY under any other provision of this Contract, failure of CONTRACTOR to cure such default within 90 calendar days of within notice shall be grounds upon which the COUNTY may terminate this Contract pursuant to Section 54.0, Termination for Default and pursue debarment of CONTRACTOR, pursuant to County Code Chapter 2.202.

**53.0 TERMINATION FOR CONVENIENCE**

- 53.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the COUNTY, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to CONTRACTOR

specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

53.2 After receipt of a notice of termination and except as otherwise directed by the COUNTY, the CONTRACTOR shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

53.3 All material including but not limited to books, records, documents, or other evidence bearing on the costs and expenses of the CONTRACTOR under this Contract shall be maintained by the CONTRACTOR in accordance with Section 49.0, Record Retention and Inspection/Audit Settlement.

#### **54.0 TERMINATION FOR DEFAULT**

54.1 The COUNTY may, by written notice to the CONTRACTOR, terminate the whole or any part of this Contract, if, in the judgment of COUNTY's Contract Administrator:

- CONTRACTOR has materially breached this Contract;
- CONTRACTOR fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- CONTRACTOR fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the COUNTY may authorize in writing) after receipt of written notice from the COUNTY specifying such failure.

54.2 In the event that the COUNTY terminates this Contract in whole or in part as provided in Section 54.1, the COUNTY may procure, upon such terms and in such manner as the COUNTY may deem appropriate, goods and services similar to those so terminated. The CONTRACTOR shall be liable to the COUNTY for any and all excess costs incurred by the COUNTY, as determined by the COUNTY, for such similar goods and services. The CONTRACTOR shall continue the performance of this Contract to the extent not terminated under the provisions of this Section 54.0.



54.3 Except with respect to defaults of any subcontractor, the CONTRACTOR shall not be liable for any such excess costs of the type identified in Section 54.2 if its failure to perform this Contract rises out of causes beyond the control and without the fault or negligence of the CONTRACTOR. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the COUNTY in either its sovereign or contractual capacity, acts of federal or State governments in their sovereign capacities, fires, floods, epidemics, 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 the CONTRACTOR. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the CONTRACTOR and subcontractor, and without the fault or negligence of either of them, the CONTRACTOR shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the required performance schedule. As used in this Section 54.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

54.4 If, after the COUNTY has given notice of termination under the provisions of this Section 54.0, it is determined by the COUNTY that the CONTRACTOR was not in default under the provisions of this Section 54.0 or that the default was excusable under the provisions of Section 54.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 53.0, Termination for Convenience.

54.4.1 In the event the COUNTY terminates this Contract in its entirety due to the CONTRACTOR's default as provided in Section 54.1, the CONTRACTOR and the COUNTY agree that the COUNTY will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the COUNTY's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the CONTRACTOR and the COUNTY agree that the COUNTY shall, at its sole option and in lieu of the provisions of Section 55.2, be entitled to liquidated damages from the CONTRACTOR, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable year's Contract sum, whichever is less, as equitable compensation to the COUNTY for such actual damages. This amount of liquidated damages shall be either paid by the CONTRACTOR to the COUNTY by

cash payment upon demand or at the sole discretion of the TTC or designee, deducted from any amounts due to the CONTRACTOR by the COUNTY, whether under this Contract or otherwise.

54.4.1.1 These liquidated damages shall be in addition to any credits, which the COUNTY is otherwise entitled to under this Contract, and the CONTRACTOR's payment of these liquidated damages shall not in any way change or affect the provisions of Section 33.0, Indemnification.

54.5 The rights and remedies of the COUNTY provided in this Section 54.0 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## **55.0 TERMINATION FOR IMPROPER CONSIDERATION**

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

55.2 The 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.

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

## **56.0 TERMINATION FOR INSOLVENCY**

56.1 The COUNTY may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the CONTRACTOR. The CONTRACTOR shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary

course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the CONTRACTOR is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the CONTRACTOR under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the CONTRACTOR; or
- The execution by the CONTRACTOR of a general assignment for the benefit of creditors.

56.2 The rights and remedies of the COUNTY provided in this Section 56.0 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **57.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

The CONTRACTOR, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the CONTRACTOR, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the CONTRACTOR or any County Lobbyist or County Lobbying firm retained by the CONTRACTOR to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the COUNTY may in its sole discretion, immediately terminate or suspend this Contract.

#### **58.0 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

Notwithstanding any other provision of this Contract, the COUNTY shall not be obligated for the CONTRACTOR's performance hereunder or by any provision of this Contract during any of the COUNTY's future fiscal years unless and until the COUNTY's Board of Supervisors appropriates funds for this Contract in the COUNTY's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The COUNTY shall notify the CONTRACTOR in writing of any such non-allocation of funds at the earliest possible date.

#### **59.0 VALIDITY**

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

**60.0 WAIVER**

No waiver by the COUNTY of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the COUNTY to enforce at any time or from time-to-time any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Section 60.0 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**61.0 WARRANTY AGAINST CONTINGENT FEES**

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

61.1.1 For breach of this warranty, the COUNTY shall have the right to terminate this Contract and, in its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**62.0 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM**

This Contract is subject to the provisions of the COUNTY's ordinance entitled Local Business Enterprise Preference Program as codified in Chapter 2.204 of the Los Angeles County Code.

62.1 CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

62.1.1 CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

62.1.2 If CONTRACTOR has obtained COUNTY certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the COUNTY any difference between the contract amount and what the COUNTY's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

62.2 The above penalties shall also apply if CONTRACTOR is no longer eligible for certification as a result in a change of their status and CONTRACTOR failed to notify the State and the COUNTY's Office of Affirmative Action Compliance of this information.

### **63.0 CAPTIONS AND SECTION HEADINGS**

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

### **64.0 FIXED ASSETS**

Title to all fixed assets purchased with COUNTY funds designated by the COUNTY for that purpose under this Contract shall remain with COUNTY. A "Fixed Asset" is defined hereunder as any equipment costing Five Thousand Dollars (\$5,000) or more, with a useful life of more than one year. Such assets shall be maintained and repaired by CONTRACTOR during the term of this Contract. CONTRACTOR shall provide an accounting of such assets at the termination or expiration of this Contract and shall deliver same to COUNTY upon COUNTY's written request. CONTRACTOR shall have the option upon the expiration or termination of the Contract to acquire such assets at a price to be mutually agreed upon by COUNTY and CONTRACTOR.

**65.0 USE OF COUNTY SEAL AND TTC'S LOGO**

CONTRACTOR shall not use or display the official seal of COUNTY or TTC's logo on any of its letterheads or other communications with any business or for any other reason.

**66.0 TIME IS OF THE ESSENCE**

Time is of the essence with respect to all provisions of this Contract that specify a time for performance and/or deliverables.

IN WITNESS WHEREOF, CONTRACTOR has executed this Contract or caused it to be duly executed, and the COUNTY of Los Angeles, by order of its Board of Supervisors, has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day 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

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_  
Chair, Board of Supervisors

By \_\_\_\_\_

All Direct Mail Services Incorporated  
CONTRACTOR

By \_\_\_\_\_

Name Dennis Zetting

Title CEO/CFO

By \_\_\_\_\_

Name Douglas Zetting

Title President

Tax ID 95-3654114

APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.  
COUNTY COUNSEL

By \_\_\_\_\_  
Principal Deputy County Counsel

**EXHIBIT A**  
**STATEMENT OF WORK**



**EXHIBIT A**  
**MAILING SERVICES**

**STATEMENT OF WORK**

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**MAILING SERVICES  
STATEMENT OF WORK (SOW)**

**1.0 SCOPE OF WORK**

1.1 Beginning in late September of each Contract term, CONTRACTOR shall be required to assemble and meter approximately 2.3 million annual property tax bills for Los Angeles County. Each of the mailing envelopes may be filled with up to seven (7) items that may include the original tax bill, two (2) return envelopes and up to four (4) inserts. Additionally, CONTRACTOR shall be required to assemble and meter various as-needed mailings throughout any Contract term.

1.2 CONTRACTOR shall be responsible to fold, insert bills or other documents as well as accompanying inserts and return envelopes into mail-out envelopes without damage and according to TTC instructions and meter the envelopes for the appropriate amount of postage. CONTRACTOR shall make the completed jobs available either for pickup by TTC and/or pre-sort contractor or deliver the mailing job to a U.S. Post Office in a manner and at a time directed by TTC.

1.3 The following table is for informational purposes only. It does not guarantee CONTRACTOR a minimum or maximum amount of any mailings in any Contract year. TTC reserves the right to perform any or all of the required services in-house at its sole discretion.

<b>APPROXIMATE NUMBER OF 2004 TAX BILL MAILINGS</b>	
<b>TYPE OF BILL/NOTICE</b>	<b>TOTAL NUMBER*</b>
Single Owner	1,613,600
Information Notices	555,800
Multiple Single/Multiple Owner	115,600
"500" Accounts	54,100
Public Utilities	1,100
Exceptions	8,900
<b>GRAND TOTAL</b>	<b>2,349,100</b>

\*Numbers are rounded to the nearest 100.

1.4 CONTRACTOR shall be responsible to assemble, match and attach certified/registered mailing receipts (e.g., Domestic Return Receipt, Certified Mail Receipt), and deliver to a United States Post Office Secured Property Mailings within the mailing deadlines as directed by TTC.

1.5 CONTRACTOR shall have facilities and process mail relating to this Contract in either Los Angeles County or in a county contiguous to Los

Angeles County such as Kern, Orange, San Bernardino, or Ventura. CONTRACTOR shall be able to pickup mailing supplies and/or to deliver processed mail to a United States Post Office or other TTC approved location in Los Angeles County at TTC direction.

## **2.0 QUALITY CONTROL**

- 2.1 At TTC's option and prior to initiating live production, CONTRACTOR shall complete a successful test run to ensure that the performance standards outlined in the Performance Requirements Summary (PRS), (Technical Exhibit A-1), and specifications according to TTC instructions can be met. TTC will make available to CONTRACTOR sample bills, inserts, and envelopes for the test runs in the quantity TTC deems appropriate. CONTRACTOR shall be responsible for all other necessary supplies, materials, equipment and vehicles required to perform the services pursuant to this Contract.
- 2.2 Additionally, the CONTRACTOR shall establish, maintain and utilize a comprehensive Quality Control Plan to assure the COUNTY a consistently high level of service throughout the term of the Contract. The Plan shall be submitted for the review and approval of the TTC Contract Administrator within 30 days of the Contract start date and as changes occur. The Plan shall include but may not be limited to the following:
  - 2.2.1 Method of monitoring to ensure that Contract requirements are being met, including but not limited to all the items listed on the PRS.
  - 2.2.2 The activities to be monitored by the CONTRACTOR and if the monitoring will be either scheduled or unscheduled, the minimum frequency, and the title of the individual(s) performing the monitoring.
  - 2.2.3 A record of all inspections conducted by the CONTRACTOR, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action.
  - 2.2.4 The methods used by the CONTRACTOR for identifying and preventing deficiencies in the quality of service performed before the level of performance becomes unacceptable and not in compliance with this Contract.
  - 2.2.5 A contingency plan for providing continuing services to TTC in the event of an emergency that disrupts the CONTRACTOR's

operations. This plan shall include notifying TTC immediately of any catastrophe, disaster or anticipated delay.

2.2.6 Security procedures approved by TTC and maintained to ensure the protection of all mailing services documents, postage and envelopes in CONTRACTOR's possession against theft, fire, water or any other damage or loss by any cause. Contractor shall also take measures to protect and keep confidential any information that may be contained on any mailing documents.

2.2.7 A file maintained by the CONTRACTOR of all the inspections conducted by the COUNTY and if, necessary, the corrective action taken. This file shall be made available, upon request by the COUNTY, throughout the term of the Contract.

### **3.0 QUALITY ASSURANCE PLAN**

3.1 TTC will evaluate the CONTRACTOR's performance under this Contract using the quality assurance procedures as defined in this Contract, Section 27.0, COUNTY's Quality Assurance Plan, and the procedures specified in the PRS, or other such procedures as may be necessary to ascertain CONTRACTOR compliance with this Contract. TTC will appropriately document any Contract compliance deficiencies and will communicate them in writing to the CONTRACTOR in a timely fashion so that the CONTRACTOR may make appropriate adjustments to correct the deficiencies. However, COUNTY's failure to notify CONTRACTOR in a timely manner shall not relieve CONTRACTOR of their responsibility to comply with this Contract.

#### **3.2 Quality Control Meetings**

COUNTY's Contract Administrator may require the CONTRACTOR's Project Manager and/or CONTRACTOR's staff to attend various meetings to discuss CONTRACTOR's performance and/or other issues directly relating to this Contract. CONTRACTOR's failure to attend will cause an assessment of \$50.00 per meeting.

#### **3.3 Contract Discrepancy Report/Corrective Action Plan**

3.3.1 The COUNTY Contract Manager shall monitor CONTRACTOR's performance based on, but not limited to, the PRS. If at any time during the term of the Contract, the work does not meet the performance standards, the County Contract Manager may prepare a Contract Discrepancy Report (CDR) (Technical Exhibit A-5) and issue the CDR to CONTRACTOR. CONTRACTOR shall respond to the CDR within five (5) business days from receipt of the CDR with a

Corrective Action Plan (CAP) that details how the discrepancy(ies) will be remedied by the CONTRACTOR.

3.3.2 COUNTY Contract Manager shall review the CAP and notify CONTRACTOR if the CAP is acceptable to COUNTY. If the CAP is not received within five (5) business days or is not acceptable to COUNTY, COUNTY Contract Manager may instruct CONTRACTOR of the necessary actions and time frames that shall be taken to correct any discrepancies.

3.3.2.1 If CONTRACTOR does not comply with the approved CAP and within the time frame stated therein, or upon reoccurrence of the same incident, the COUNTY may issue a letter indicating its intent to terminate the Contract. CONTRACTOR may appeal this action in writing within 10 business days from receipt of COUNTY notice. COUNTY will consider appeals received timely and will notify CONTRACTOR of COUNTY's decision in writing. Termination will be in accordance with one or more of the provisions set forth in the Contract regarding termination. COUNTY's decision will be final.

#### 3.4 **COUNTY Observations**

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

### 4.0 **RESPONSIBILITIES**

The COUNTY's and the CONTRACTOR's responsibilities are as follows:

#### **COUNTY**

##### **4.1 Personnel**

The COUNTY will administer the Contract according to the Contract, Section 7.0, Administration of Contract - COUNTY. Specific duties will include but may not be limited to:

4.1.1 Monitoring the CONTRACTOR's performance in the daily operation of this Contract.

4.1.2 Providing direction to the CONTRACTOR in areas relating to policy, information and procedural requirements.

4.1.3 Preparing Change Notices in accordance with the Contract, Section 16.0, Change Notices and Amendments.

## **4.2 Furnished Items**

4.2.1 The COUNTY and/or COUNTY's vendor(s) shall make available to CONTRACTOR the following items. However, it is the CONTRACTOR's responsibility to arrange/confirm pickup or delivery of these items from COUNTY and/or COUNTY vendors.

4.2.1.1 Funds for postage

4.2.1.2 Preprinted Bills

4.2.1.3 Inserts

4.2.1.4 Envelopes

4.2.1.5 Or other such mailing materials (i.e., preprinted labels, Domestic Return Receipts, Certified Mail Receipts)

## **CONTRACTOR**

### **4.3 CONTRACTOR'S Project Manager**

4.3.1 CONTRACTOR shall provide a full-time Project Manager. COUNTY must have access to the CONTRACTOR's Project Manager or approved alternate during normal business hours, Monday through Friday from 8:00 a.m. until 5:00 p.m., except during mailings, then CONTRACTOR's Project Manager or approved alternate shall be available by telephone twenty-four (24) hours per day, seven (7) days per week.

4.3.2 CONTRACTOR's Project Manager shall act as a central point of contact with the COUNTY. CONTRACTOR's Project Manager shall demonstrate previous experience in the management of work requirements for facilities similar in size and complexity.

4.3.3 CONTRACTOR's Project Manager and COUNTY approved alternate shall have full authority to act for CONTRACTOR on all matters relating to the daily operation of the Contract. CONTRACTOR's Project Manager and COUNTY approved alternate shall be able to effectively communicate, in English, both orally and in writing.

### **4.4 CONTRACTOR's Personnel**

4.4.1 CONTRACTOR shall assign a sufficient number of employees to perform the required work.

4.4.2 CONTRACTOR shall assign and maintain a Project Manager that is acceptable to the COUNTY and that meets the following minimum requirements:

- 4.4.2.1 Have at least three (3) continuous full years of verifiable experience providing the services or services equivalent in scope and volume to the services listed in this Statement of Work.
- 4.4.2.2 Shall be able to read, speak and understand English in a manner sufficient to conduct business with TTC.
- 4.4.3 CONTRACTOR may also assign an alternate Project Manager that meets the above minimum requirements and is acceptable to the COUNTY.
- 4.4.4 All personnel providing services in conjunction with this Contract shall be required to sign the appropriate Employee Acknowledgement and Confidentiality Agreement as set forth in Contract Exhibits G1 and G2. During the term of the Contract, the CONTRACTOR shall maintain an updated file of the signed forms and shall forward copies of all signed forms to the TTC Contract Administrator.
- 4.4.2 All CONTRACTOR staff working on this Contract at TTC's discretion may be required to pass a Department of Justice Clearance or other background clearance in accordance with Section 11.0, Background and Security Investigations, of the Contract.
- 4.4.3 The CONTRACTOR shall be responsible for immediately removing and replacing within twenty-four (24) hours any employee working on this Contract when requested to do so by the TTC Contract Administrator.
- 4.4.4 Personnel assigned by the CONTRACTOR to perform the required services shall at all times be employees of the CONTRACTOR. The CONTRACTOR shall have the sole right to hire, suspend, discipline or discharge them. However, any employee of the CONTRACTOR assigned to this Contract who in the opinion of TTC is unsatisfactory, shall immediately be removed from servicing the Contract. The CONTRACTOR shall not subcontract with any personnel for performance of services hereunder unless the provisions of the Contract, Section 51.0, are met.

#### **4.5 Required Reports and Invoicing**

##### **4.5.1 Daily Recap Reports**

- 4.5.1.1 During any mailing, CONTRACTOR shall provide on a daily basis a Daily Recap Report (Technical



Exhibit A-2). CONTRACTOR shall complete the Daily Recap Report for the previous day's activities and fax or e-mail it to the Contract Manager as set forth in Exhibit C of the Contract, and any other TTC designee as requested by TTC, by 9:00 a.m. the following business day.

#### 4.5.2 Postage Recap Reports

4.5.2.1 CONTRACTOR shall fax or e-mail to the Contract Manager, as set forth in Exhibit C of the Contract, within three (3) calendar days of the completion deadline, a Postage Recap Report (Technical Exhibit A-3).

4.5.2.2 CONTRACTOR shall mail the original Postage Recap Report within 3 business days to:

Administrative Services Division  
Treasurer and Tax Collector  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

With a copy to:

Fiscal Services Division  
Treasurer and Tax Collector  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

4.5.2.3 If postage for a specific job was overestimated and TTC is due a postage refund, a check for the refund amount shall accompany the original Postage Recap Report.

4.5.2.4 If CONTRACTOR applies excessive postage to any mailing, CONTRACTOR shall refund TTC by check upon discovery by the CONTRACTOR or COUNTY.

4.5.2.5 If any mailings are returned to TTC by the Post Office as undeliverable due to CONTRACTOR's error including but not limited to the address not visible through window or inadequate postage, at TTC's option, CONTRACTOR shall either credit TTC on CONTRACTOR's next invoice or pay directly to TTC the amount equal to the postage and the per item construction cost.

#### 4.5.3 Post Office Mailing List

TTC's Secured Property Division will provide CONTRACTOR a Post Office Mailing List. This list includes the addressee, addresses and Certified Mailing Receipt number for each piece of certified mail to be processed by CONTRACTOR. CONTRACTOR shall utilize this list to match each piece of mail to the appropriate certified mailing receipts. CONTRACTOR shall have the United States Post Office acknowledge and verify the receipt of the mailings by appropriately completing the Post Office Mailing List. Within three (3) business days of completion, CONTRACTOR shall return Post Office Mailing List to Contract Manager or other TTC designee as directed by Contract Manager.

#### 4.5.4 Firm Mailing Book Pages

4.5.4.1 CONTRACTOR shall provide TTC copies of the completed PF Form 3877, Firm Mailing Book, detailing the International/Registered Mail pieces. The Firm Mailing Book copies shall include the addition of the Auction Item Number as well as the existing fields for Registered Mail Article Number, the Addressee Name and Address.

4.5.4.2 CONTRACTOR shall have the United States Post Office appropriately complete each page of the Firm Mailing Book verifying the receipt of mailings.

4.5.4.3 Copies of each page shall be faxed to the Contract Manager or other TTC designee as directed by the Contract Manager within three (3) business days of the mail processing date.

#### 4.5.5 Invoices

4.5.5.1 CONTRACTOR shall prepare and submit an invoice for each mailing job and submit it in accordance to Section 6.0, Invoices and Payments, of the Contract.

4.5.5.2 Invoices at a minimum shall contain the following:

- CONTRACTOR name
- CONTRACTOR address
- CONTRACTOR remittance address, if different
- TTC's Name
- TTC's address
- CONTRACTOR's Customer Number (to be assigned by TTC)
- CONTRACTOR's Tax Identification Number
- Date of Invoice

- Invoice number
- Date of Mailing Job Completion
- Name of Mailing Job and/or Job Number
- Itemized Description (Task performed)
- Quantity of work completed
- Unit price per job/task
- Number of damaged items and credit amount
- Credit for Post Office Returns
- Total dollar amount of job
- Total billed amount

4.5.6 As directed by TTC, CONTRACTOR shall credit current invoice or pay directly to COUNTY all costs associated to reconstruct damaged mailings including, but not limited to, postage.

4.5.6.1 CONTRACTOR shall set aside all spoilage/damaged items including, but not limited to, damaged property tax bills, postage metered envelopes, non-metered envelopes, and inserts and deliver these items to TTC on a daily basis or as directed by TTC.

#### **4.6 Identification Badges**

4.6.1 Any time CONTRACTOR's employee(s) is on COUNTY designated property, CONTRACTOR shall furnish and require such employee to wear a visible photo identification badge, identifying employee by name, physical description, and company.

#### **4.7 Materials, Facilities, Vehicles, Supplies and Equipment**

4.7.1 The purchase, lease, or acquisition and maintenance of all materials, facilities, vehicles, supplies and equipment to provide the needed services, that are not listed below and/or specifically provided by the COUNTY, are the responsibility of the CONTRACTOR. CONTRACTOR shall use materials and equipment that are safe for the environment and safe for use by the CONTRACTOR's employee(s).

CONTRACTOR shall maintain a facility(s) that is adequate to provide the quantity and quality of services required in this Contract. This includes but is not limited to a facility with at least one loading dock that is accessible to COUNTY and/or another COUNTY vendor/contractor, a receiving area(s) and secure and adequate storage capabilities for all mailing documents, envelopes and inserts in the quantities necessary for each mailing.

CONTRACTOR shall also ensure that employees keep any information that may be contained on any mailing confidential.

#### 4.7.2.1 Postage

4.7.2.1.1 Prior to each mailing, TTC will estimate the amount of postage necessary for each mailing and issue a warrant made out to U.S. Postmaster, for CONTRACTOR to purchase the required postage. CONTRACTOR shall return any unused and/or unaccounted for postage amount to TTC within three (3) business days following a completed job.

4.7.2.2 Starting around the end of September of each Contract term, Property Tax Bills will be printed at a rate of approximately 300,000 per day, including weekends, by the COUNTY of Los Angeles Internal Services Department (ISD) Printing Operation.

4.7.2.2.1 CONTRACTOR shall pickup all available printed bills from ISD every business day or as directed by TTC at the following location:

Internal Services Department  
Computer Output Services  
9150 E. Imperial Hwy.  
Downey, CA 90242

4.7.2.2.1.1 TTC will advise CONTRACTOR of the first date bills will be available for pickup.

4.7.2.2.1.2 CONTRACTOR shall verify and acknowledge the receipt of each box number, the number of boxes, and the number and sequence of bills received as directed by TTC.

4.7.2.2.1.3 CONTRACTOR shall make all reasonable efforts to ensure the security and protection of all mailing services documents and envelopes in its possession at all

times including but not limited to, protection from fire, water, theft or other catastrophe.

4.7.2.2.2 Printed bills will be boxed and may be on pallets. The individual boxes are numbered and each is labeled with the beginning and ending sequence numbers of the bills contained in that box.

4.7.2.2.3 Reprints of damaged bills may not be on pallets depending on the quantity. However, CONTRACTOR shall still be responsible for picking up the reprinted bills on a daily basis or as directed by TTC.

4.7.2.2.4 CONTRACTOR shall notify TTC immediately when a discrepancy in the size, description and/or quantity of supplies received/picked up.

4.7.3 COUNTY reserves the right to change the dimensions and/or quantity of inserts, envelopes or bills to be used in the annual tax bill(s) or other mailings. COUNTY may also change or otherwise modify instructions given to CONTRACTOR regarding a specific job.

4.7.4 COUNTY reserves the right to change the pickup location and/or printer of the annual tax bills. The CONTRACTOR will be notified upon a change in pickup location and/or printer.

4.7.5 At TTC's sole option, TTC may arrange for standard supplies such as envelopes to be delivered directly to CONTRACTOR from the supplier. In such instances, CONTRACTOR is responsible for verifying that the size, kind and quantity of supplies delivered meets TTC's specifications for the mailing job. CONTRACTOR shall sign and date each packing slip acknowledging the receipt of items and that the size, quantity, and kind of supplies are correct. Signed and dated copies of the packing slips shall be mailed to TTC within 3 business days to:

Treasurer and Tax Collector  
Procurement  
Attn: Supply Officer  
500 West Temple Street, Room 137A  
Los Angeles, CA 90012

4.7.4.1f TTC does not make such arrangements, CONTRACTOR shall be responsible to pickup COUNTY provided items, including but not limited to all mailing items, from COUNTY and/or another COUNTY vendor/contractor location as directed by TTC.

#### **4.8 Training**

CONTRACTOR's employees shall be instructed and trained in their assigned tasks and in the safe handling of equipment as applicable. All equipment shall be checked daily for safety. All employees must wear safety and protective gear according to OSHA standards. CONTRACTOR shall train employees on keeping confidential information contained in any mailing document.

#### **4.9 CONTRACTOR's Office**

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

### **5.0 HOURS/DAY OF WORK**

CONTRACTOR shall maintain days and hours of operation and staffing sufficient to complete all services within the timeframes directed by TTC. This includes but is not limited to weekends and holidays. The following are the usual observed COUNTY holidays; however, CONTRACTOR may be required to work one or more COUNTY holidays in order to meet the requirements of this Contract.

- New Year's Day
- Martin Luther King Jr.'s Birthday
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving Day
- Christmas Day

## **6.0 SPECIFIC WORK REQUIREMENTS**

- 6.1 CONTRACTOR shall be responsible to accurately assemble mailings according to TTC's instructions and with visible mailing addresses on all mailings.
- 6.2 When requested by TTC, CONTRACTOR will prepare Certified and Registered Mail documents in conjunction with specifically identified mailing jobs. CONTRACTOR shall ensure that the proper postage is metered on the out-going envelopes and that the proper Certified/Registered Mail documents (i.e., stickers and return receipts) are affixed to the mailings. TTC will supply all needed Certified and Registered mail documents. CONTRACTOR shall undertake a 100% inspection of the finished mailing, ensuring that Certified labels and Return Receipts are attached along with the appropriate postage.
- 6.3 CONTRACTOR shall assemble all mailings without excessive damage. Damage shall not exceed .075% for regular mailings. CONTRACTOR is expected to assemble Certified/Registered mailings without damage. CONTRACTOR shall be responsible for reimbursing TTC for all costs associated with reconstruction of any damaged mailings.
- 6.4 CONTRACTOR shall pickup/deliver any COUNTY supplied materials for each mailing in the timeframe and as directed by TTC.
- 6.5 According to TTC's instructions, CONTRACTOR shall ensure that either mailings are ready for pickup by TTC vendor at the time, manner and in the quantity required or delivered to a United States Post Office and mailed out by the deadline provided by TTC.
- 6.6 Any discrepancy in any mailings shall be immediately reported to the Contract Administrator.
- 6.7 CONTRACTOR shall report all damage/spoilage to TTC on a daily basis.
- 6.8 All surplus and unused supplies provided by TTC to CONTRACTOR including but not limited to envelopes, inserts, Certified/Registered mail documents shall be returned to TTC within two (2) business days after a particular mailing job is complete, unless otherwise directed by TTC. In the event there is a surplus of standard supplies, which will be utilized for a subsequent TTC mailing, CONTRACTOR may be instructed to retain these items in their warehouse.
- 6.9 Property Tax Bills
  - 6.9.1 CONTRACTOR shall assemble the following types of annual tax bills/notices:

- 1) Single Owner Tax Bills and Inserts
- 2) Information Notices and Inserts
- 3) Multiple Single Bills
- 4) Multiple Owner Bills
- 5) "500" Account Bills
- 6) Public Utilities Bills
- 7) Exception/Miscellaneous Bills

6.9.1.1 TTC reserves the option to add or delete the types of annual tax bills/notices CONTRACTOR shall be responsible for assembling.

6.9.2 The COUNTY provided materials for the annual tax bill mailing are listed on Technical Exhibit A-4. Specifications for various envelopes, bills and inserts are as follows:

6.9.2.1 **Mail-out envelope** (#132J) 4<sup>13/16</sup>" X 8<sup>1/4</sup>", #10 window envelope;

6.9.2.2 **Manila envelope**, 12" x 15<sup>1/2</sup>", brown Kraft, provided with appropriate mailing labels;

6.9.2.3 **Property tax bill**, 8<sup>1/2</sup>" x 14", provided as a flat sheet, to be folded according to TTC's instructions;

6.9.2.4 **Property tax information notice**, 8<sup>1/2</sup>" x 14", provided as a flat sheet, to be folded according to TTC's instructions;

6.9.2.5 **TTC informational insert**, 8<sup>1/2</sup>" x 3<sup>5/8</sup>", no folding necessary;

6.9.2.6 **Assessor informational insert**, 8<sup>1/2</sup>" x 3<sup>5/8</sup>", no folding necessary;

6.9.2.7 **Return envelope**, (141J);

6.9.2.8 **Return envelope**, (142J).

**Note:** During the term of this Contract and at TTC's sole option, any of the items, number of items and/or specifications may change.

6.9.3 CONTRACTOR shall fold, then insert bills, accompanying inserts and appropriate return envelopes into mail-out envelopes according to TTC instructions and as not to damage the payment coupon. CONTRACTOR shall appropriately postmark and meter the mail-out envelope with the postage rate as directed by TTC.



- 6.9.4 Multiple Owner and 500 Account pieces will be printed in group order (i.e., bills and notices going to the same address will be printed in a group), CONTRACTOR shall be responsible for manually sorting these bills and stuffing the groups into appropriate envelopes/box, and affixing the matching mailing labels. Labels will be pre-printed Avery standard shipping labels or equivalent and will be printed in the same group order as the mailing pieces.
- 6.9.5 Multiple Single, and Multiple Owner bills carry the same code number identifying it as a multiple; therefore, CONTRACTOR shall manually separate them according to the individual recipient information.
- 6.9.6 500 Accounts bills carry a more specific code identifying the recipient, and in sequential numerical order (i.e., 501, 502, etc.). CONTRACTOR shall manually separate these bills and attach the corresponding mailing labels. The mailing labels will indicate the number of bills per coded recipient and also the appropriate postage amount necessary for each group.
- 6.9.7 For each annual tax bill mailing during the term of this Contract, CONTRACTOR shall assemble, meter and have ready for pickup a minimum of 165,000 envelopes daily until the job is complete.
- 6.9.8 Each day during the annual tax bill mailing, the CONTRACTOR shall fax a completed Daily Recap Report, reporting for the previous day.
- 6.9.9 CONTRACTOR shall make assembled and metered mailings available for pickup by COUNTY presort contractor and/or deliver mailings to a United States Post Office at a time and manner instructed by TTC.
- 6.9.10 CONTRACTOR may be requested to report the total number along with sequence numbers of damaged bills to TTC prior to returning items to TTC.
- 6.10 Secured Property Division Mailing
  - 6.10.1 Throughout the year the CONTRACTOR may be required to assemble various Secured Property Mailings, match and attach certified/registered pre-printed cards and receipts with the addressee and deliver mailings to a U.S. Post Office within the mailing deadlines given by TTC. These mailings may require manual sorting and matching. Secured Property Mailings may include but are not limited to the following:

- 6.10.1.1 Courtesy Notice
  - 6.10.1.1.1 Mailed in or around March or April each year by the deadline given by TTC.
  - 6.10.1.1.2 Approximately 5,000 pieces.
  - 6.10.1.1.3 Sent 1<sup>st</sup> Class Mail.
  - 6.10.1.1.4 #10 Window mail-out envelope.
  - 6.10.1.1.5 8 ½" x 11" notice folded and inserted so that address is visible through the mail-out envelope window.
  - 6.10.1.1.6 #9 return envelope insert.
  
- 6.10.1.2 Impending Notice
  - 6.10.1.2.1 Mailed in or around April or May each year by the deadline given by TTC.
  - 6.10.1.2.2 Approximately 6,500 pieces.
  - 6.10.1.2.3 Sent Certified Mail.
  - 6.10.1.2.4 Certified/Registered receipts matched to addressee.
  - 6.10.1.2.5 #10 Window mail-out envelope.
  - 6.10.1.2.6 8 ½" x11" notice folded and inserted so that the address is visible through the mail-out envelope window.
  - 6.10.1.2.7 Fold two 8 ½ " x 11" inserts.
  - 6.10.1.2.8 #9 return envelope insert.
  
- 6.10.1.3 Notice of Auction
  - 6.10.1.3.1 Mailed twice per year by the deadline given by TTC.
  - 6.10.1.3.2 Approximately 50,000 to 80,000 pieces.
  - 6.10.1.3.3 Sent Certified Mail.
  - 6.10.1.3.4 Certified/Registered Receipts matched to addressee.
  - 6.10.1.3.5 #10 Window mail-out envelope.
  - 6.10.1.3.6 8 ½ " x 11" notice folded and inserted so that the address is visible through the mail-out envelope window.
  - 6.10.1.3.7 # 9 return envelope insert.
  
- 6.10.1.4 Excess Proceeds Notice
  - 6.10.1.4.1 Mailed twice per year by the deadline given by TTC.
  - 6.10.1.4.2 Approximately 5,000 to 10,000 pieces.
  - 6.10.1.4.3 Sent Certified Mail.
  - 6.10.1.4.4 Certified/Registered Receipts matched to addressee.
  - 6.10.1.4.5 #10 window mail-out envelope.

- 6.10.1.4.6 8 ½" x 11" insert folded and inserted so that the address is visible through the mail-out envelope window.
- 6.10.1.4.7 One legal size (8½" x 14") insert folded.
- 6.10.1.4.8 #9 return envelope insert.

6.10.1.5 Sealed Bids Sale

- 6.10.1.5.1 As needed, approximately every other year.
- 6.10.1.5.2 Approximately 5,000.
- 6.10.1.5.3 Sent Certified Mail by the deadlines indicated by TTC.
- 6.10.1.5.4 Multiple 8 ½" x 11" inserts (unfolded).
- 6.10.1.5.5 Manila or Kraft Mail-out envelope.
- 6.10.1.5.6 Mailing labels provided by TTC.
- 6.10.1.5.7 Certified/Registered receipts matched to addressee.

**Note:** During the term of this Contract and at TTC's sole option, any of the items, number of items and/or specifications may change.

6.10.2 CONTRACTOR will prepare Certified and Registered Mail documents in conjunction with each specifically identified mailing job. CONTRACTOR shall ensure that the proper postage is metered on the out-going envelopes and that the proper Certified/Registered mail documents (i.e., stickers and return receipts) are affixed to the mailings. TTC will supply all needed Certified and Registered mail documents. CONTRACTOR shall undertake a 100% inspection of the finished mailing, ensuring that Certified labels and Return Receipts are properly and securely attached and verify the appropriately metered postage. Failure of CONTRACTOR to correctly affix Certified/Registered Mail documents may result in termination of the Contract.

6.10.3 CONTRACTOR shall manually separate foreign/international mail from regular certified mail. CONTRACTOR shall complete a Foreign Certified Mail receipt using the information provided by TTC for each piece of foreign/international mail and match the Foreign Certified Mail receipt to the appropriate piece of mail.

6.10.4 Any discrepancy shall be reported to the Contract Administrator immediately.

## 6.11 As-needed Mailings

CONTRACTOR may be required to perform as-needed mailings throughout the Contract term as directed by TTC. However, TTC does not guarantee a minimum or maximum of as-needed mailings. The time frame for completion of as-needed mailing is usually three to five days.

6.11.1 As-needed mailings may include other one-time or recurrent mailings. For any as-needed Mailing, CONTRACTOR may be required to:

- Deliver as-needed mailings to a U.S. Post Office for mailing as directed by TTC;
- Make as-needed mailings available for pickup by another TTC vender as directed by TTC; and/or
- Make available or deliver as-needed mailings to TTC as directed by TTC.

6.11.2 Pricing for as-needed mailings shall be in accordance with Exhibit B, Pricing Schedule. CONTRACTOR shall provide as-needed mailings that are similar to those listed on Exhibit B, for the price listed on Exhibit B. If TTC agrees that a mailing is not similar to a mailing listed on Exhibit B, TTC may negotiate a price for the mailing. If a price is successfully negotiated, that mailing description along with the price shall be incorporated into Exhibit B, Pricing Schedule and shall remain firm and fixed for the remainder of the Contract.

## 7.0 PERFORMANCE REQUIREMENTS SUMMARY

7.1 All listings of services used in the PRS are intended to be completely consistent with the Contract and the Statement of Work (SOW) and are not meant in any case to create, extend, revise, or expand any obligation of CONTRACTOR beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and the PRS, the meaning apparent in the Contract and the SOW will prevail. If any service or deliverable seems to be created in the PRS which is not clearly and forthrightly set forth in the Contract and/or the SOW, that apparent service will be null and void and place no requirement on CONTRACTOR.

7.2 At the COUNTY's discretion, when the CONTRACTOR's performance does not conform with the requirements of this Contract, the COUNTY will have the option to apply non-performance remedies that may include but are not limited to the following:

- Require CONTRACTOR to implement a CAP, subject to approval by the COUNTY. In the CAP, the CONTRACTOR must include reasons for the unacceptable performance,

specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.

- Reduce payment to CONTRACTOR by a computed amount based on the assessment in the PRS.
- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the CONTRACTOR to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) days or the timeframe specified by TTC, shall constitute authorization for the COUNTY to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the CONTRACTOR's failure to perform said service(s), as determined by the COUNTY, shall be credited to the COUNTY on CONTRACTOR's future invoice(s) under this Contract or any other COUNTY contract.
- At the COUNTY's option, require the CONTRACTOR to enter into a repayment plan with the COUNTY for any overpayments that CONTRACTOR received.

7.3 This section does not preclude the COUNTY's right to terminate this Contract upon ten (10) days' written notice with or without cause, as provided for in this Contract, Section 53.0, Termination for Convenience.

## **8.0 COUNTY QUALITY MONITORING**

On an ongoing basis, CONTRACTOR's performance will be compared to the Contract standards and the Maximum Allowable Deviation (MAD) set forth in the PRS. TTC may use a variety of inspections methods to evaluate CONTRACTOR's performance. These methods may include but are not limited to:

- 1) User complaints.
- 2) 100% inspection of completeness and quality of work on a periodic basis.
- 3) 100% inspection of Secured Property Certified/Registered Mailings for each mailing.
- 4) Adherence to COUNTY policies, procedures, rules and regulations.

## **9.0 GENERAL CRITERIA FOR SATISFACTORY AND UNSATISFACTORY PERFORMANCE**

Performance of a listed service is considered satisfactory when the number of discrepancies found either by the TTC through Contract monitoring or other means does not exceed the MAD standards. When performance is unsatisfactory, TTC may complete a CDR and send this to the CONTRACTOR. The CONTRACTOR shall then be required to

respond to the CDR in writing within five (5) working days, explaining why performance was unsatisfactory, how performance will be returned to satisfactory levels, and how a reoccurrence will be prevented. TTC Contract Administrator will evaluate the written response and at his/her sole discretion, determine whether the CONTRACTOR shall be responsible for full payment, partial payment, or if the Contract termination process is applicable.

**PERFORMANCE REQUIREMENTS SUMMARY**

<b>REFERENCE</b>	<b>REQUIRED SERVICE</b>	<b>STANDARD OF PERFORMANCE</b>	<b>MAXIMUM ALLOWABLE DEVIATION (MAD)</b>	<b>TYPICAL MONITORING METHOD</b>	<b>ACTION TO BE TAKEN FOR EXCEEDING MAD</b>
SOW Sections 4.5.2.5, 6.1, 6.9.3	Visible mailing address in mail outs	No Post Office (PO) returns as undeliverable	None	PO returns; CONTRACTOR reporting/monitoring	Reimburse TTC for postage and cost of assembly/mailing each item
SOW Section 4.5.2.4, 4.5.2.5, 6.1, 6.2, 6.9.3	Apply appropriate postage	No PO returns for insufficient postage; no excessive postage	None	PO returns; CONTRACTOR reporting/monitoring	Reimburse TTC for insufficient or overage amount plus corrected amount to re-mail
SOW Section 4.7.2.2.1.3	Protect against damage due to fire, water theft or other catastrophe	Damage unacceptable	None	CONTRACTOR reporting/monitoring	Reimburse TTC for associated costs to reconstruct mailing
SOW Section 6.9.7	Meet minimum daily outgoing tax bill mailing volume/ mailing completed by deadlines	A minimum of 165,000 tax bills are completed each day	None	CONTRACTOR reporting/monitoring	Corrective Action Plan and/or \$500 for each day minimum volume is not met
SOW Section 6.3	Assemble mailings without damage	Damage not to exceed .075% of total mailings	None	CONTRACTOR reporting/monitoring	Reimburse TTC for associated costs to reconstruct damaged mailings
SOW Sections 4.5	Provide TTC with required reports	Accurately and according to schedule	1 business day late	Receipt of reports, report log-in	Corrective Action Plan and/or \$50 per day, per late report. \$50 per day, per incomplete/ Inaccurate report

REFERENCE	REQUIRED SERVICE	STANDARD OF PERFORMANCE	MAXIMUM ALLOWABLE DEVIATION (MAD)	TYPICAL MONITORING METHOD	ACTION TO BE TAKEN FOR EXCEEDING MAD
SOW Sections 4.2.1, 4.7.4.1, 6.4	Pickup/deliver envelopes, inserts, tax-bills etc. according to schedule	CONTRACTOR pickups and/or returns COUNTY supplies as scheduled by TTC	None	TTC and CONTRACTOR reporting/monitoring Vendor notification	Corrective Action Plan and/or \$50 per day
SOW Sections 6.5	Have bills/notices ready for pickup or delivered by scheduled deadline	Bills are assembled and ready for pickup or are delivered as scheduled	None	TTC and CONTRACTOR reporting/monitoring Presort vendor notification	Corrective Action Plan and/or \$100 per day
SOW Sections 6.1, 6.3, 6.9.3	Documents folded according to TTC'S instructions and without damage	Bills are folded according to TTC direction without damage	None	TTC and CONTRACTOR reporting/monitoring	Corrective Action Plan
SOW Section 3.2	Quality Control Meetings	CONTRACTOR shall meet with COUNTY as requested	Rescheduled once	CONTRACTOR's Project Manager or COUNTY-approved alternate in attendance	\$50.00 per no show and/or more than one (1) rescheduled meeting
SOW Section 6.2	Secured Property required notices are mailed Certified/Registered Mail	CONTRACTOR shall do 100% matching of certified/registered labels to envelopes	None	TTC and CONTRACTOR monitoring/reporting	<b>1<sup>st</sup> Instance:</b> \$1,000 and any and all actual damages including but not limited to postage and the cost to reconstruct the mailing.  <b>2<sup>nd</sup> Instance:</b> Subject to Contract Termination



REFERENCE	REQUIRED SERVICE	STANDARD OF PERFORMANCE	MAXIMUM ALLOWABLE DEVIATION (MAD)	TYPICAL MONITORING METHOD	ACTION TO BE TAKEN FOR EXCEEDING MAD
Contract Sections 33.0, 34.0 and 35.0	Required Insurance is obtained and maintained throughout the term of the Contract Submit required proof of Insurance satisfactory to COUNTY	Submit required proof of insurance that is acceptable to COUNTY upon expiration, termination and/or change.	None	TTC Monitoring	<b>\$100 for each day late or Contract termination</b>
Contract Section 36.0	Conduct a Financial Review annually or more often if requested by TTC	Submit Financial Statements Beginning one (1) year after the commencement date and every year thereafter or more often if requested by TTC	None	TTC Monitoring	<b>\$50 for each day late</b>
Contract Section 36.0	Report any pending litigation to TTC on an annual basis	Submit Pending Litigation Statement annually	None	TTC Monitoring	<b>\$50 for each day late</b>



## POSTAGE RECAP REPORT

DATE	JOB NAME	TOTAL PIECES	POSTAGE RATE	POSTAGE COST

POSTAGE PRE-PAID BY TTC: \$ \_\_\_\_\_

POSTAGE USED FOR JOB:\$ \_\_\_\_\_

REFUND DUE TTC: \$ \_\_\_\_\_

Return within 3 business days with applicable refund to :

Treasurer and Tax Collector  
 Fiscal Services Division  
 500 West Temple Street, Room 464  
 Los Angeles, CA 90012

and a copy to:

Treasurer and Tax Collector  
 Administrative Services Division  
 500 West Temple Street, Room 464  
 Los Angeles, CA 90012

I certify that this is a true and correct Postage Recap Report

\_\_\_\_\_  
 CONTRACTOR's Authorized Signature

\_\_\_\_\_  
 Date

MAILING INSERTS PER TYPE OF PROPERTY TAX BILL/NOTICE \*

TYPE OF BILL OR NOTICE	MAIL OUT ENVELOPE		PROPERTY TAX BILL OR INFORMATION NOTICE	TTC INFORMATION INSERT	ASSESSOR INFORMATION INSERT	RETURN ENVELOPES (total envelopes per mail out)	
	#132J (#10 Window)	MANILA, KRAFT OR BOX				#141J	#142J
<b>Single Owner</b>	1	--	1	1	1	2	--
<b>Big Money</b>	1	--	1	1	1	--	2
<b>Information Notice</b>	1	--	1	1	1	--	2
<b>Multiple Single</b>	1	--	Up to 4 bills	1	1	2	--
<b>Multiple Owner</b>	--	As needed with labels **	5+	1 per envelope	1 per envelope	--	--
<b>500 Accounts</b>	--	As needed with labels**	Varied	--	--	--	--
<b>Public Utilities</b>	1	--	1	--	--	2	--
<b>Exception/Misc</b>	1	--	1	1	1	2	--

\* For information only – COUNTY may change all or part of the mailing insert and/or envelope requirements.

\*\*Mailing labels will be provided by TTC for these bills and notices.



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR  
FACSIMILE TRANSMITTAL

DATE: \_\_\_\_\_

NO. OF PAGES \_\_\_\_\_

TO/FROM: TTC

Contact Name: Mary Camperi

JOB TITLE: \_\_\_\_\_

FAX : (213) 613-0939

PHONE: (213) 974-2017

TO/FROM: All Direct Mail Services

Contact Name:

JOB TITLE: \_\_\_\_\_

FAX: (818) 765-6960

PHONE: (818) 765-7119

EST. VOL: \_\_\_\_\_

DUE DATE: \_\_\_\_\_

**JOB DESCRIPTION**

**MAIL-OUT ENVELOPE**

\_\_\_\_\_ #10 WINDOW \_\_\_\_\_  
 \_\_\_\_\_ #11 WINDOW \_\_\_\_\_  
 \_\_\_\_\_ OTHER \_\_\_\_\_

**FOLDING**

DOCUMENT	# of Folds
PRIMARY	
8 1/2 X 11	_____
11 X 17	_____
Other:	_____

**INSERTS**

Document	Quantity
Primary	_____
Inserts	_____
Return Envelopes	_____
Other	_____

**YES/NO**

\_\_\_\_\_ **CERTIFIED/REGISTERED**  
 \_\_\_\_\_ **SEAL ENVELOPES**

Inserts

8 1/2 x 11	_____
11x17	_____
Other	_____

**POSTAGE**

Type	Amount
Full First-Class	_____
Presort (Non-Auto)	_____
Mixed ADD Presort	_____
3D Auto Presort	_____
Certified	_____
Registered	_____
Other:	_____

**JOB COMPLETION DATES**

Job will be picked up by Presort Contractor on:	_____
Job to be delivered to U.S. Post Office (mail out date)	_____
Hold for TTC/COUNTY Pick-up On	_____
Additional Comments	_____
	_____

**DATE**

**SUPPLIES PROVIDED BY TTC**

	Quantity	Scheduled Delivery/Pick up	Date Delivered/ Picked-up
Mail-Out Envelope	_____	_____	_____
Primary Document	_____	_____	_____
Return Envelope	_____	_____	_____
Return Envelope	_____	_____	_____
Additional Inserts	_____	_____	_____
Certified/Registered	_____	_____	_____
Other	_____	_____	_____
Postage	_____	_____	_____

**SUPPLIES RETURNED TO TTC**

	Quantity	Spoilage	Date Returned
Mail-Out Envelope	_____	_____	_____
Primary Document	_____	_____	_____
Return Envelope	_____	_____	_____
Return Envelope	_____	_____	_____
Additional Inserts	_____	_____	_____
Certified/Registered	_____	_____	_____
Other	_____	_____	_____
Excess Postage	_____	_____	_____

Verified by: \_\_\_\_\_

Contractor

Verified by: \_\_\_\_\_

TTC

Contractor will sign and date packing slips and mail the originals to TTC within three business days.

**EXHIBIT B**  
**PRICING SCHEDULE**

EXHIBIT B  
PRICING SCHEDULE

ANNUAL PROPERTY TAX BILL							
DOCUMENT	FOLD DOCUMENTS	INSERT THESE ITEMS				POSSIBLE ADDITIONAL INSERTS	COST PER UNIT
		TAX BILL/NOTICE	TTC INFORMATION NOTICE	ASSESSOR INFORMATION NOTICE	RETURN ENVELOPE (S)		
Property Tax Bill and Inserts	Yes	Yes	Yes	Yes	Yes	Yes	\$0.0165
Information Notice and Inserts	Yes	Yes	Yes	Yes	Yes	Yes	\$0.0165
Multiple Single Bill and Inserts	Yes	Yes	Yes	Yes	Yes	Yes	\$0.0900
Multiple Owner Bill and Inserts	No	Yes	Yes	Yes	No	Yes	\$0.0450
500 Account Bills	No	Yes	No	No	No	No	\$0.0420
Public Utilities Bills	Yes	Yes	No	No	Yes	Yes	\$0.0510
Exception/Misc. Bills	Yes	Yes	Yes	Yes	Yes	Yes	\$0.0165

Page 1



**EXHIBIT B  
PRICING SCHEDULE**

**SECURED PROPERTY MAILINGS**

<b>Secured Property Mailing</b>	<b>#10 White Mail-Out</b>	<b>Manila</b>	<b>Fold and Insert 8 1/2 X 11" Notice</b>	<b>Insert Return Envelope</b>	<b>Other Inserts</b>	<b>Deliver to USPS</b>	<b>Prepare for Pickup from Presort Contractor</b>	<b>Frequency</b>	<b>Estimated Volume Per Frequency</b>	<b>Certified/Registered Mail</b>	<b>Cost Per Unit</b>
Courtesy Notice	Yes	N/A	Yes	Yes	N/A	No	Yes	Annually	5,000	No	\$0.2900
Impending Notice	Yes	N/A	Yes	Yes	(2) 8 1/2 X 11" Folded	Yes	No	Annually	6,500	Yes	\$0.7590
Notice of Auction	Yes	N/A	Yes	Yes	N/A	Yes	No	Bi-Annually	50,000 - 80,000	Yes	\$0.7250
Excess Proceeds	Yes	N/A	Yes	Yes	(1) 8 1/2 X 14" Folded	Yes	No	Bi-Annually	5,000 - 10,000	Yes	\$1.1550
Sealed Bids	N/A	Yes	N/A	N/A	Multiple 8 1/2 X 11" Unfolded	Yes	No	Unspecified	5,000	Yes	\$1.2500

EXHIBIT B  
PRICING SCHEDULE

**As Needed Mailings**

MAIL OUT DESCRIPTION	INSERT PRIMARY DOCUMENT(S)	FOLD PRIMARY DOCUMENT(S)	INSERT(S)	FOLD INSERT(S)	METER AND SEAL	COST PER UNIT PER 5M-10M UNITS	COST PER UNIT PER 10M-50M UNITS	COST PER UNIT PER 50M-100M UNITS
#10 Window	1	No	Yes	Yes	Yes	\$0.025	\$0.019	\$0.017
#10 Window	1	No	Yes	No	Yes	\$0.022	\$0.016	\$0.014
#10 Window	1	No	No	No	Yes	\$0.021	\$0.015	\$0.013
#10 Window	1	Yes	No	No	Yes	\$0.024	\$0.018	\$0.016
#10 Window	1	Yes	Yes	No	Yes	\$0.025	\$0.019	\$0.017
#10 Window	1	Yes	Yes	Yes	Yes	\$0.028	\$0.022	\$0.020
#10 Window	2	Yes	Yes	Yes	Yes	\$0.034	\$0.028	\$0.026
#10 Window	2	Yes	No	No	Yes	\$0.030	\$0.024	\$0.022
#10 Window	2	Yes	Yes	No	Yes	\$0.031	\$0.025	\$0.023

EXHIBIT B  
PRICING SCHEDULE

ALL DIRECT  
ADDITIONAL CHARGES

DESCRIPTION		COST
1	<b>PICKUP CHARGE</b>	0.08/lb.
2	<b>DELIVERY CHARGE</b> (To LA Offices)	\$110/ea
	<b>OTHER CHARGES</b>	
	(Describe Below)	
3	Process Foreign Mail - Actual time billed in tenths of an hour.	\$27.00 per hour
4		\$
5		\$
6		\$
7		\$
8		\$

**EXHIBIT C**

**COUNTY'S ADMINISTRATION**

**COUNTY'S ADMINISTRATION**

CONTRACT NO. \_\_\_\_\_

1. Any notice served upon COUNTY shall be addressed as follows or such other place as may hereinafter be designated in writing to CONTRACTOR by TTC:

Name: Mark J. Saladino  
Title: Treasurer and Tax Collector  
Address: County of Los Angeles  
Treasurer and Tax Collector  
500 West Temple Street, Room 437  
Los Angeles, CA 90012

2. **COUNTY CONTRACT ADMINISTRATOR/MANAGER:**

A copy of any notice shall be addressed and mailed to TTC's Contract Administrator as Follows or such other place as may hereinafter be designated in writing to CONTRACTOR by TTC:

Name: Darolyn Jensen  
Title: Operations Chief, Administrative Services  
Address: County of Los Angeles  
Treasurer and Tax Collector  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

Telephone: (213) 974-2108  
Fax: (213) 687-4857

3. A copy of any notice shall be addressed and mailed to:

Address: County of Los Angeles  
Treasurer and Tax Collector  
Contracts Section  
500 West Temple Street, Room 464  
Los Angeles, CA 90012

Telephone: (213) 974-7360  
Fax: (213) 687-4857

**EXHIBIT D**

**CONTRACTOR'S ADMINISTRATION**

# CONTRACTOR'S ADMINISTRATION

All Direct Mail Services, Inc.

CONTRACT NO. \_\_\_\_\_

## CONTRACTOR'S PROJECT MANAGER:

Name: Martin Zelaya

Title: Project Manager

Address: 7040 Lankershim Blvd., North Hollywood, CA 91605-5803

Telephone: (818) 765-7119 ext. 225

Facsimile: (818) 765-6960

E-Mail Address: martinzelaya@admsi.com

## CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Dennis Zetting

Title: CEO

Address: 7040 Lankershim Blvd., North Hollywood, CA 91605-5803

Telephone: (818) 765-7119 ext. 307

Facsimile: (818) 765-6960

E-Mail Address: denniszeeting@admsi.com

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

## Notices to Contractor shall be sent to the following address:

Address: 7040 Lankershim Blvd., North Hollywood, CA 91605-5803

Telephone: (818) 765-7119 ext. 307

Facsimile: (818) 765-6960

E-Mail Address: **denniszeeting@admsi.com**

**EXHIBIT E**

**CONTRACTOR'S EEO CERTIFICATION**





**EXHIBIT F**

**REQUEST FOR LOCAL SBE PREFERENCE PROGRAM  
CONSIDERATION AND CBE FIRM/ORGANIZATION  
INFORMATION FORM**

**County of Los Angeles – Community Business Enterprise Program (CBE)**

**Request for Local SBE Preference Program Consideration and  
CBE Firm/Organization Information Form**

**INSTRUCTIONS:** All Proposers responding to this solicitation must complete and return this form for proper consideration of the proposal.

**I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

**FIRM NAME:** \_\_\_\_\_

- I AM NOT**  A Local SBE certified by the County of Los Angeles Office of Affirmative Action  
 **I AM**  Compliance as of the date of this proposal/bids submission.  
 -----  
 As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

**My County (WebVen) Vendor Number :** \_\_\_\_\_

**II. FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

<b>Business Structure:</b> <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Please Specify) _____						
<b>Total Number of Employees</b> (including owners): <b>120</b>						
<b>Race/Ethnic Composition of Firm.</b> Please distribute the above total number of individuals into the following categories:						
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American					1	0
Hispanic/Latino			4	0	49	51
Asian or Pacific Islander					0	3
American Indian						
Filipino						
White						

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

	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	%	%	%	%	%	67%
Women	%	%	%	%	%	33%

**IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:** *If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)*

Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	Expiration Date

**V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.**

Print Authorized Name Theresa Elkins	Authorized Signature	Title Vice President	Date
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**EXHIBIT G1&G2**

**EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY  
AGREEMENT**

**&**

**NON-EMPLOYEE ACKNOWLEDGEMENT AND  
CONFIDENTIALITY AGREEMENT**

**CONTRACT FOR  
MAILING SERVICES**

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY,  
AGREEMENT**

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

*(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. \_\_\_\_\_

Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

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

**EMPLOYEE ACKNOWLEDGEMENT:**

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

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

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 my employer 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. \_\_\_\_\_

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 my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.*

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

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

**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 Exhibit M1, 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: \_\_\_\_\_

**CONTRACT FOR  
MAILING SERVICES**

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT  
AND CONFIDENTIALITY AGREEMENT**

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

*(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 and Confidentiality 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 Exhibit M1, 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 H**

**AUDITOR-CONTROLLER CONTRACT ACCOUNTING AND  
ADMINISTRATION HANDBOOK**

# **AUDITOR – CONTROLLER CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK**

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

# **AUDITOR-CONTROLLER** **CONTRACT ACCOUNTING AND OPERATING 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.

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.

## ***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:



Rent Expense	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

## 2.2 Cash Receipts Journal

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

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

## 2.3 Cash Disbursements Journal

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

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

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

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

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

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

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

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

#### 2.4 General Ledger

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

#### 2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- The County recommends that agents use the expense account titles on the monthly invoice submitted to the County.
- If the contractor uses account titles which differ from the account titles on the monthly invoice, each account title must clearly identify the nature of the transaction(s) posted to the account.
- Contractor must consistently post transactions that are of a similar nature to the same account. For example, all expenses for travel shall be posted to the account titled

"travel" or "travel expense" and not intermixed with other expense accounts.

## 2.6 Payroll Register

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

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

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

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

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

## 2.7 Contractor Invoices

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

## **3.0 Records**

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

### 3.1 Retention

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

### 3.2 Supporting Documentation

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

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

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

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

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

**Travel** – travel policies of the Contractor (written); travel expense vouchers showing location, date and time of travel, purpose of trip, and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and mileage. Travel related to conferences should include conference literature detailing purpose of the



conference. Reimbursement rates for mileage shall not exceed applicable federal guidelines.

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

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

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

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

### 3.3 Payments to Affiliated Organizations or Persons

Contractor shall not make payments to affiliated organizations or persons for program expenses (e.g., salaries, services, rent, etc.) that exceed the lower of actual cost or the reasonable cost for such expenses. A reasonable cost shall be the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

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

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

### 3.4 Filing

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

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

### 3.5 Referencing

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

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

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

## **4.0 Donations and Other Sources of Revenue**

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

## **5.0 Audits**

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

## **6.0 Single Audit Requirements**

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

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

## **7.0 Subcontracts**

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

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

### ***b. INTERNAL CONTROLS***

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

#### **1.0 Cash Receipts**

##### **1.1 Separate Fund or Cost Center**

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

##### **1.2 Deposits**

All checks shall be restrictively endorsed upon receipt.

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

Cash receipts (i.e., cash and checks) totaling \$500 or more shall be deposited within one day of receipt. Collections of less than \$500

may be held and secured and deposited weekly or when the total reaches \$500, whichever occurs first.

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

### **1.3 Separation of Duties**

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

### **1.4 Bank Reconciliations**

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

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

## **2.0 Disbursements**

### **2.1 General**

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

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

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

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

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

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

Unclaimed or undelivered checks shall be cancelled periodically.

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

Disbursements without adequate supporting documentation will be disallowed on audit.

## 2.2 Approvals and Separation of Duties

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

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

## 2.3 Petty Cash

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

Petty cash disbursements must be supported by invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. In the event that outside (external) supporting documentation is not obtainable for minor disbursements (under \$10), such as parking meters, etc., then documentation shall be considered as proper supporting documentation on a basis of reasonableness. Petty cash disbursements should not be used as a substitute for normal purchasing and disbursement practices i.e., payment by check).

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

## 2.4 Credit Cards

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

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

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

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

### **3.0 Timekeeping**

#### **3.1 TIMECARDS**

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

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

#### **3.2 Personnel and Payroll Records**

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

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

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

- Benefit balances (e.g., sick time, vacation, etc.)

#### Benefit Balances

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

#### Limitations on Positions and Salaries

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

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

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

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

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

#### Separation of Duties

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

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

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

## **4.0 Fixed Assets**

A fixed asset is defined as an article of nonexpendable tangible personal property having a useful life of more than two years. The County recommends all fixed assets with an acquisition cost of \$1,000 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. The report shall contain at a minimum, item identification, recorded value, facts relating to loss, and a copy of the law enforcement report.

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



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

## **C. COST PRINCIPLES**

### 1.0 Policy

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

#### 1.1. Limitations on Expenditures of Program Funds

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

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

#### 1.2 Expenses Incurred Outside the Agreement Period

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

#### 1.3 Budget Limitation

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

#### 1.4 Unspent Funds

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

#### 1.5 Necessary, Proper and Reasonable

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

## 2.0 Allocation of Cost Pools

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

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

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

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

### 2.1 Direct Costs

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

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

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

Examples of bases for allocating joint costs as direct costs:

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

### 2.2 Indirect Costs

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

Examples of bases for allocating indirect costs:

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

### 2.3 Acceptable Indirect Cost Allocation Methods

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

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

#### Simplified Allocation Method

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

#### Example

Agency-wide indirect costs	\$250,000
Less: Capital expenditures	<u>10,000</u>
Allocable indirect costs	240,000
Total agency-wide indirect salaries	\$1,000,000
Indirect cost rate (\$240,000/\$1,000,000)	24%
Program direct salaries	\$100,000
Program indirect costs (24% x \$100,000)	<u>\$24,000</u>

#### Direct Allocation Method

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

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

#### Multiple Base Allocation Method

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

#### 2.4 Cost Allocation Plan

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

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

1. Contractor general accounting policies:
  - Basis of accounting (cash or accrual)
  - Fiscal year
  - Method for allocating indirect costs (simplified, direct, multiple, negotiated rate)
  - indirect cost rate allocation base
2. Identify the Contractor's direct and indirect costs (by category) and describe the cost allocation methodology for each category.

3. Signature of Contractor management certifying the accuracy of the plan.

#### Negotiated Indirect Cost Rates

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

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

#### D. UNALLOWABLE COSTS

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

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

#### E. OVERPAYMENTS

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

#### F. MISCELLANEOUS REQUIREMENTS

##### 1.0 Insurance

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

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

2.0 Activity

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

**EXHIBIT I**

**INTERNAL REVENUE NOTICE 1015**

## IRS NOTICE 1015

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



Department of the Treasury  
Internal Revenue Service

### Notice 1015

(Rev. December 2004)

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

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#### What Is the EIC?

The EIC is a refundable tax credit for certain workers.

**What's New.** Workers cannot claim the EIC if their 2004 investment income (such as interest and dividends) is over \$2,650.

#### 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 2004 are less than \$35,458 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, 2005.

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 website at [www.irs.gov](http://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 2004 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

#### How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2004 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 2004 and owes no tax but is eligible for a credit of \$791, he or she must file a 2004 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 2005 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 (Circular E), Employer's Tax Guide.

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**Notice 1015**  
(Rev. 12-2004)



**EXHIBIT J**

**JURY SERVICE CERTIFICATION**

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

The County's solicitation for this Request for Proposals is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All Proposers, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Proposer is excepted from the Program.

<u>Company Name:</u> All direct Mail Services, Inc.		
<u>Company Address:</u> 7040 Lankershim Blvd.		
<u>City:</u> North Hollywood	<u>State:</u> CA	<u>Zip Code:</u> 91605
<u>Telephone Number:</u> (818) 765-7119		
<u>Solicitation For Mailing Services</u>		

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

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

- My business does not meet the definition of "contractor," as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.
- My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exception will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.  
  
"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.  
  
"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.
- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

**OR**

**Part II: Certification of Compliance**

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

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

<u>Print Name:</u> Dennis Zetting	<u>Title:</u> CEO
<u>Signature:</u>	<u>Date:</u>

**EXHIBIT K**

**JURY SERVICE ORDINANCE**

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.010 Findings.**

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

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

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

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or
  7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

**2.203.030 Applicability.**

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

**2.203.040 Contractor Jury Service Policy.**

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

**2.203.050 Other Provisions.**

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

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**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.

**2.203.070. Exceptions.**

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

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

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

**2.203.090. Severability.**

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

**EXHIBIT L**

**SAFELY SURRENDERED BABY FACT SHEETS**

# **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](http://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.



### 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.

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**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.**

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***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.***

# **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](http://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 también está apoyada por First 5 LA y INFO LINE de Los Angeles.

### ¿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.

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**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.**

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*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.*