County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

LEROY D. BACA, SHERIFF

July 12, 2005

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

Dear Supervisors:

APPROVAL OF MASTER AGREEMENTS FOR CONFIDENTIAL LAW ENFORCEMENT BACKGROUND AND WORKERS' COMPENSATION FRAUD INVESTIGATIVE SERVICES (FIRST DISTRICT) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the attached Master Agreement (Exhibit A) for Sheriff's confidential law enforcement background investigative services for a term of two (2) years, with an option to extend for one (1) one-year period effective upon Board approval.

2. Approve the attached Master Agreement (Exhibit B) for Sheriff's Workers' Compensation fraud investigative services for a term of two (2) years, with an option to extend for one (1) one-year period effective upon Board approval.

3. Authorize the Sheriff to enter into any agreements within the term of the Board approved Master Agreements; to execute applicable documents when the original contracting entity has merged, been purchased, or has otherwise changed; and to modify the agreement within the conditions specified in the agreement, including authority for the Sheriff to exercise the extension provision if, at the Sheriff's discretion, such extension would be in the best interest of the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the Master Agreements will allow the Sheriff's Department (Department) to contract for two types of investigative services: 1) confidential background investigations of applicants seeking employment with the Department, and 2) Workers' Compensation fraud investigations.

The Department's Pre-Employment Unit conducts confidential background investigations using staff and contractors to perform the services. It is anticipated that the contractors will be investigating large numbers of applicants who will be applying for various Department positions. The current contract will expire in September 2005.

The Internal Criminal Investigations Bureau conducts internal investigations into allegations of criminal misconduct by Department employees. The Sheriff has directed the creation of a Workers' Compensation Fraud Unit to address Workers' Compensation fraud within the Department. The Department is requesting the services of independent contractors to facilitate the creation of a sub-unit within the Internal Criminal Investigations Bureau, as anticipated caseloads will require additional staff. The use of contracted investigation services allows for the immediate increase or reduction of staff services as the workload increases or decreases.

Implementation of Strategic Plan Goals

The services provided under these Agreements support the County's Strategic Goals 1, Service Excellence, and 4, Fiscal Responsibility, to ensure that the highest quality of employees are hired on a fair and equitable basis and by reducing costs associated with fraudulent Workers' Compensation claims.

FISCAL IMPACT/FINANCING

The Department has included funding of $280,000 for the confidential law enforcement background investigative services and $333,000 for the Workers' Compensation fraud investigative services in the proposed Fiscal Year 2005-06 operating budget. The Department will continue to allocate the necessary funds throughout the term of the contracts. The rate of payment for the term of the Agreement for the confidential law enforcement background investigative services is $30 per hour and $60 per hour for the Workers' Compensation fraud investigative services.

The Master Agreements have provisions for payment of qualified mileage and parking at the rate established by the County Auditor-Controller, pursuant to adopted County Code.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Recent modifications to the State Insurance Code authorized law enforcement agencies investigating Workers' Compensation fraud to receive relevant medical information. Until this change was implemented in January 2005, law enforcement had been effectively precluded from investigating Workers' Compensation fraud cases due to medical privacy. Previously, insurance fraud investigations were solely conducted by the District Attorney's Office; the State of California Department of Insurance; and the Chief Administrative Office, Risk Management Branch, investigators assigned by Workers' Compensation third-party administrators. However, with the modification of Insurance Code Section 1877, et seq., law enforcement agencies now have access to relevant medical information when conducting Workers' Compensation fraud investigations.

The Department's Internal Criminal Investigations Bureau's Workers' Compensation Fraud Unit will utilize contractors who are trained in the field of undercover investigations to perform these duties.

The Master Agreements for background investigative services and Workers' Compensation fraud investigation services have been approved as to form by County Counsel.

The Master Agreements will require all contractors to be in compliance with your Board, Chief Administrative Office, and County Counsel's requirements, including Jury Services and the Safely Surrendered Baby Law. In addition, the Master Agreement for the Workers' Compensation fraud investigative services includes language regarding the Contractor's Obligation as a Business Associate Under the Health Insurance Portability and Accountability Act of 1996.

The services provided under the Master Agreements do not fall under Proposition A; therefore, the Living Wage Program (County Code Chapter 2.2001) does not apply.

CONTRACTING PROCESS

On March 22, 2005, the Department issued a Request for Statement of Qualifications (RFSQ) for the provision of confidential background investigative services. Subsequently, Addendum No. 1 was issued on June 14, 2005, expanding the investigative service for Workers' Compensation fraud. The RFSQ was mailed to contractors and also posted on the Los Angeles County Website. Several contractors were determined to be qualified and are prepared to enter into an agreement. Approval of these Master Agreements will permit the Department to contract with contractors as they become available.

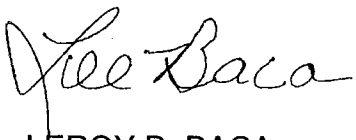
IMPACT ON CURRENT SERVICES

There will be no negative impact on current Department operations and services.

CONCLUSION

Upon approval by your Board, please return two (2) adopted copies of this action to the Sheriff's Department's Contracts Unit.

Sincerely,



LEROY D. BACA
SHERIFF

EXHIBIT A

MASTER AGREEMENT

MASTER AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

(CONTRACTOR)

FOR

CONFIDENTIAL LAW ENFORCEMENT BACKGROUND INVESTIGATIVE SERVICES

MASTER AGREEMENT PROVISIONS
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MASTER AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
AND

_____

FOR
CONFIDENTIAL LAW ENFORCEMENT BACKGROUND INVESTIGATIVE SERVICES

This Master Agreement is entered into as of the date executed by the County of Los Angeles Sheriff's Department (hereinafter referred to as County), between the County and _____, (hereinafter referred to as Contractor), to provide Confidential Law Enforcement Background Investigative Services.

RECITALS

WHEREAS, the County may contract with private businesses for Confidential Law Enforcement Background Investigative Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Confidential Law Enforcement Background Investigative Services of high profile and sensitive applicants for law enforcement agencies; and

WHEREAS, this Master Agreement is therefore authorized under California Codes, Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Board of Supervisors has authorized the Sheriff of the Los Angeles County Sheriff's Department to execute and administer this Master Agreement; and

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

This base document and Exhibits A, B, C, and D, attached hereto form the Master Agreement. 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, goods, service, or other work, or otherwise between the base document and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the base document and then to the Exhibits according to the following priority:

1.1 EXHIBIT A - Statement of Work

1.2 EXHIBIT B - Invoice

1.3 EXHIBIT C - Contractor's Employee Acknowledgement and Confidentiality Agreement

1.4 EXHIBIT D - Contractor's Non-Employee Acknowledgement and Confidentiality

This Master Agreement constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous agreements, written and oral, and all communications between the parties relating to the subject matter of this Master Agreement. No change to this Master Agreement shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

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, unless otherwise apparent from the context in which they are used.

2.1 **Active Contractor:** Identifies a Qualified Contractor who is in compliance with the terms and conditions and whose evidence of insurance has all been received by the Sheriff' s Department Contracts Unit and are valid and in effect at the time of award. As used herein, the terms Active Contractor and Contractor may be used interchangeably throughout this document.

2.2 **Applicant:** The individual applying for employment with the Los Angeles County Sheriff's Department.

2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the effective date.

2.4 **County Project Director:** Person designated by the Sheriff with authority on contractual or administrative matters relating to this Agreement that cannot be resolved by the County's Project Manager.

2.5 **County Project Manager:** Person designated as chief contact person with respect to the day-to-day administration of the Master Agreement.

2.6 **Day(s):** Calendar day(s) unless otherwise specified.

2.7 **Effective Date:** The date this Master Agreement is executed by the Sheriff

2.8 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

2.9 **Master Agreement:** County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of Work.

2.10 **Pre-Employment Unit:** The Unit of the Sheriff's Department charged with completing background investigations of applicants.

2.11 **Qualified Contractor:** A Contractor who has submitted a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ); has met the minimum qualifications listed in the RFSQ, and has an executed Master Agreement with the Sheriff's Department.

2.12 **Request For Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.

2.13 **Sheriff:** The Sheriff of Los Angeles County.

2.14 **Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.

2.15 **Statement of Work:** A written description of tasks and/or deliverables desired by County.

3.0 WORK

3.1 Pursuant to the provisions of this Master Agreement, 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 Contractor shall not carry a firearm while performing the duties of this Master Agreement.

3.3 If Contractor provides any task, deliverable, service, or other work to County that goes beyond the scope of the work identified in the Statement of Work, these shall be gratuitous efforts on the part of Contractor for which Contractor shall have no claim whatsoever against County.

3.4 The County's procedures for issuing work orders are set forth in Exhibit A (Statement of Work). Upon determination by the County to issue work, it is the County's intent to issue work orders to all Master Agreement Qualified Contractors on a rotational basis; however, the County's Project Manager has the sole discretion to issue work to any of the Qualified Contractors.

3.5 It is understood by Contractor that this Master Agreement does not guarantee that work will be issued to all Contractors.

4.0 TERM OF MASTER AGREEMENT

4.1 This Master Agreement is effective upon the date of its execution by the Sheriff. This Master Agreement shall expire two years from the date the Master Agreement was authorized by the Los Angeles County Board of Supervisors unless sooner extended or terminated, in whole or in part, as provided herein.

4.2 The County shall have the option to extend the Master Agreement term for up to one (1) additional one-year period, for a maximum total Master Agreement term of three (3) years from the date the Master Agreement was authorized by the Los Angeles County Board of Supervisors. Such option year shall be exercised by the Sheriff through the Change Notices and Amendment process outlined in Sub-paragraph 8.4.

5.0 CONTRACT SUM

5.1 Contractor shall not be entitled to any payment by the County under this Master Agreement except pursuant to a validly executed work order issued pursuant to the Statement of Work. In each year of this Master Agreement, the total of all amounts actually expended by the County hereunder ("maximum annual expenditures") may not exceed amounts allocated to the Sheriff's Department by the County Board of Supervisors in their approved budgets. The Sheriff has sole discretion to expend some, all, or none of such budgeted amounts. The sum of such annual expenditures for the duration of the Master Agreement is the Contract Sum.

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

5.3 **Intentionally Omitted**

5.4 **No Payment for Services Provided Following Expiration/ Termination of Master Agreement**

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 Master Agreement.

Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Master Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Master Agreement.

5.5 **Invoices and Payments**

5.5.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor shall invoice the Sheriff's Department monthly, on a fixed price basis of Thirty Dollars ($30.00) per hour. Qualified Mileage will be paid at the rate established by the County Auditor-Controller, pursuant to Los Angeles County Code, Section 5.40.190 – 5.40.290. Qualified Parking claims pursuant to the County Code will be paid when accompanied with a receipt.

5.5.2 County shall not pay Contractor for any overtime premiums, travel expenses, [excluding qualified mileage and parking expense], meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses.

5.5.3 All work performed by, and all invoices submitted by Contractor must receive the written approval of County's Project Manager, who shall be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.

5.5.4 Invoices under this Master Agreement shall be submitted, in duplicate, to the Project Manager as indicated in Section 6.0.

5.5.5 **Invoice Content**

The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in Section 4.0 of this Master Agreement.

Each invoice submitted by Contractor shall be in the form of Exhibit B (Invoice) and shall include but not be limited to the following:

- Contractor's Master Agreement Number
- Period of performance (service dates) of work being invoiced
- Name of Contractor who performed the work
- Case/Work Order Number
- Number of hours being billed
- Mileage
- Parking Claim (When Applicable)
- Total amount of the invoice

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

COUNTY ADMINISTRATION

The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Project Director

6.1.1 The County's Project Director for this Agreement shall be the following:

Bruce Pollack, Captain
Personnel Administration
101 Centre Plaza Drive
Monterey Park, California 91754
Telephone (323) 981-5843

6.1.2 The County's Project Director shall have the right at all times to inspect any and all work provided by the Contractor.

6.2 County's Project Manager

6.2.1 The County's Project Manager for this Agreement shall be the following:

Mike Borges, Sergeant
Personnel Services
101 Centre Plaza Drive
Monterey Park, California 91754
Telephone (323) 981-5852

6.2.2 The County's Project Manager is the County's chief contact person with respect to the day-to-day administration of this Master Agreement. The Project Manager shall issue Change Notices that do not affect the scope, term, contract sum, or payment in accordance with sub-paragraph 8.4, Change Notices and Amendments and generally is the first person for Contractor to contact with any questions.

6.2.3 The County's Project Manager shall be responsible for reviewing and approval of all invoices.

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager for this Agreement shall be:

Name
Address
City
Telephone

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Master Agreement and shall coordinate with County's Project Manager on a regular basis with respect to Work.

7.2 Contractor's Authorized Official(s)

Contractor shall promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).

Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Master Agreement on behalf of Contractor.

7.3 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. Contractor shall provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

Contractor shall be responsible to ensure Contractor's staff have been trained and certified under the laws of the State of California as a private investigator and possess a Private Investigator License as specified in the California Business and Professions Code §7521.

Contractor shall immediately notify County's Contract Manager and immediately remove staff under this Master Agreement, when their Private Investigator License have been revoked or suspended and/or convicted of any felony and/or certain misdemeanors (i.e.,

drug, theft and sex related crimes) that impugn the applicants character, honesty or veracity or demonstrate a bias.

Failure by Contractor to adhere to this Paragraph 7.0 shall be grounds to terminate this Master Agreement as set forth in Paragraph 8.44 (Termination for Contractor's Default).

7.4 Contractor's Staff Identification Badge

Contractor shall provide all staff providing services under this Master Agreement with a photo identification badge in accordance with County specifications. Specifications may change at the discretion of the County and Contractor will be provided new specifications as required. The format and content of the badge is subject to the County's approval prior to the Contractor implementing the use of the badge. Contractor, while on duty or when entering a County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.

7.5 Background and Security Investigations

7.5.1 All Contractors performing work under this Master Agreement shall undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing to work under this Agreement. County shall use its discretion in determining the method of background clearance to be used, which may include but not be limited to fingerprinting. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless, if the Contractor passes or fails the background clearance investigation.

7.5.2 If the Contractor does not pass the background clearance investigation, the County may immediately remove

Contractor from working on the County Master Agreement at any time during the term of the Master Agreement. County will not provide to Contractor any information obtained through the County's background clearance investigation.

7.5.3 County may immediately, at the sole discretion of the Project Manager, deny or terminate facility access to Contractor that does not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.

7.6 Confidentiality

The Contractor shall maintain the confidentiality of all records obtained from the County under this Master Agreement in accordance with all applicable Federal, State or local laws, ordinances, regulations and directives relating to confidentiality. The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provision of this Master Agreement. The Contractor shall cause each employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit C. The Contractor shall cause each non-employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit D.

8.0 TERMS AND CONDITIONS

8.1 ASSIGNMENT AND DELEGATION

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Master Agreement, or both, either in whole or in part, without the prior written consent of the Sheriff's

Department. Any unapproved assignment or delegation shall be null and void. Any payments by the Sheriff's Department to any approved delegate or assignee on any claim under this Master Agreement shall be deductible, at the Sheriff's Department's sole discretion, against the claims, which the Contractor may have against the County.

8.1.2 If any assumption, assignment, delegation, 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 without the express prior written approval of the Sheriff's Department, the Sheriff may, in his sole discretion, terminate this Agreement.

8.2 AUTHORIZATION WARRANTY

The Contractor and the person executing the Agreement on behalf of Contractor hereby represent and warrant that the person executing the Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of the Agreement and that all requirements of Contractor have been fulfilled to provided such actual authority.

8.3 BUDGET REDUCTIONS

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Master Agreements, 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 the Master

Agreement. 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 Master Agreement.

8.4 CHANGE NOTICES AND AMENDMENTS

8.4.1 The County reserves the right to initiate Change Notices that do not affect the scope or payment pursuant to this Master Agreement. All such changes shall only be accomplished with an executed Change Notice signed by the Contractor and by the County's Project Manager.

8.4.2 The Sheriff of Los Angeles County Sheriff's Department may, at his sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Master Agreement. The Contractor agrees that such extensions of time shall not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Sheriff.

8.4.3 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 the Master Agreement during the term of this Master Agreement. 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 orders, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Board of Supervisors.

8.5 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints. At a minimum, the policy should include:

- Within five (5) business days of receiving the complaint, the Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation;

- 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; and

- Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes. If the County request changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.

If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County's Project Manager for approval before implementation.

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 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 Master Agreement are hereby incorporated herein by reference.

8.6.2 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.

8.7 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 Master Agreement or under any project, program, or activity supported by this Master Agreement. The Contractor shall comply with Contractor's EEO Certification.

8.8 COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program:

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

8.8.2 Written Employee Jury Service Policy

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.

2. For purposes of this Sub-paragraph, "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 Master Agreement, 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.

3. If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the 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 Master Agreement 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.

4. Contractor's violation of this Sub-paragraph of the Master Agreement may constitute a material breach of the Master Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Master Agreement and/or bar Contractor from the award of

future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

8.9.1 No County employee whose position with the County enables such employee to influence the award of this Master Agreement or any competing Master Agreement, 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 Master Agreement. 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.

8.9.2 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 Master Agreement. 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 8.9 shall be a material breach of this Master Agreement.

8.10 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 Master Agreement 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 Master Agreement.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement, 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. The County will refer GAIN/GROW participants by job category to the Contractor.

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

8.12 CONTRACTOR'S RESPONSIBILITY AND DEBARMENT

8.12.1 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 Master Agreement. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 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 agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Master Agreement, debar the Contractor from bidding on any County Agreements for a specified period of time not to exceed three (3) years, and terminate any or all existing Agreements the Contractor may have with the County.

8.12.3 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 any term of an Agreement with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Master Agreement with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

If there is evidence that the Contractor may be subject to debarment, the Sheriff's Department will notify the

Contractor in writing of the evidence that 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.

The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

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.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the Contractor's place of business. The County's Child Support Services Department will supply the Contractor with the poster to be used.

8.14 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.

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

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

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

8.16 COUNTY'S QUALITY ASSURANCE PLAN

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

8.17 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.17.1 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.

8.17.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.18 EMPLOYMENT ELIGIBILITY VERIFICATION

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 Master Agreement 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.

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 Master Agreement.

8.19 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Master Agreement, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.20 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.

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

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

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Master Agreement 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.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Master Agreement 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.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Master Agreement 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 Master Agreement.

8.22.4 As previously instructed in sub-paragraph 7.6 – Confidentiality, the Contractor shall cause each employee

performing services covered by this Master Agreement to sign and adhere to the "Contractor Employee Acknowledgment and Confidentiality Agreement, Exhibit C. The Contractor shall cause each non-employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement, Exhibit D.

8.23 INDEMNIFICATION

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

8.24 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the term of this Master Agreement, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Master Agreement. 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.

8.24.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

Betty Jackson, Contract Analyst
L.A. County Sheriff's Department – Contracts Unit
4700 Ramona Boulevard
Monterey Park, California 91754

Prior to commencing services under this Master Agreement. such certificates or other evidence shall:

- Specifically identify this Master Agreement;
- Clearly evidence all coverages required in this Master Agreement;
- 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 Master Agreement; and
- 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.

8.24.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

8.24.3 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 Master Agreement upon which the County may immediately terminate or suspend this Master Agreement. 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.

8.24.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- Any accident or incident relating to services performed under this Master Agreement 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 Master Agreement.

- 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 Project 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 Master Agreement.

8.24.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Master Agreement, 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.

8.24.6 Insurance Coverage Requirements for Subcontractors: The Contractor shall ensure any and all subcontractors performing services under this Master Agreement meet the insurance requirements of this Master Agreement 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.

8.25 INSURANCE COVERAGE REQUIREMENTS

8.25.1 **General Liability** insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	$1 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million
Each Occurrence:	$1 million

8.25.2 **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".

8.25.3 **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. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	$1 million
Disease - policy limit:	$1 million
Disease - each employee:	$1 million

8.25.4 Professional Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than $1 million per claim, $1million aggregate.

8.26 LIQUIDATED DAMAGES

8.26.1 If, in the judgment of the Sheriff, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Sheriff, at his 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 Sheriff in a written notice describing the reasons for said action.

8.26.2 If, the Sheriff determines that there are deficiencies in the performance of this Contract that the Sheriff deems are correctable by the Contractor over a certain time span, the Sheriff will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Sheriff 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 time frame. The parties hereby agree that under the current

circumstances a reasonable estimate of such damages is One Hundred Dollars ($100) per day per infraction. Contractor shall be liable to the County 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.

8.26.3 The action noted in Sub-paragraph 8.26.2 shall not be construed as a penalty, but as an 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 Master Agreement.

8.26.4 This Sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law and shall not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

8.27 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

This Master Agreement 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.

8.27.1 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.

8.27.2 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.

8.27.3 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 Master Agreement to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the work had been properly awarded; and

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 Master Agreement amount; 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).

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.

8.28 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Master Agreement 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 Master Agreement, then such lower prices shall be immediately extended to the County.

8.29 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.29.1 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.

8.29.2 The Contractor shall certify to, and comply with, the provisions of - Contractor's EEO Certification.

8.29.3 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.

8.29.4 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.

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

8.29.6 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 Sub-paragraph 8.29 when so requested by the County.

8.29.7 If, the County finds that any provisions of this Sub-paragraph 8.29 have been violated, such violation shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement 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 Master Agreement.

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

8.30 NONEXCLUSIVITY

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

8.31 NOTICE OF DELAYS

Except as otherwise provided under this Master Agreement, when either party has knowledge that any actual or potential situation is

delaying or threatens to delay the timely performance of this Master Agreement, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.32 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Master Agreement. If the County Project Manager or County Project Director is not able to resolve the dispute, the Sheriff shall resolve it.

8.33 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.

8.34 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 available on the Internet at www.babysafela.org for printing purposes.

8.35 NOTICES

All notices or demands required or permitted to be given or made under this Master Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Section 6.0, Administration of Contract – County and Section 7.0, Administration of Contract – Contractor. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Sheriff shall have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

8.36 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the term of this Master Agreement 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.

8.37 PUBLIC RECORDS ACT

8.37.1 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 Sub-paragraph 8.39 - Record Retention and Inspection/Audit Settlement of this Master Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, 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.

8.37.2 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 an SOQ marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.38 PUBLICITY

8.38.1 The Contractor shall not disclose any details in connection with this Master Agreement 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 Master Agreement within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and

- During the term of this Master Agreement, 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 Project Director. The County shall not unreasonably withhold written consent.

8.38.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.38 shall apply.

8.39 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Master Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Master Agreement. 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 Master Agreement. 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 Master Agreement 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. 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.

8.39.1 In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor 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 Master Agreement. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.39.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.

8.39.3 If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, 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 Master Agreement 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 Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

8.40 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 Master Agreement.

8.41 SUBCONTRACTING

8.41.1 The requirements of this Master Agreement may not be subcontracted by the Contractor without the advance approval of the County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Master Agreement.

8.41.2 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.

8.41.3 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.

8.41.4 The Contractor shall remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.41.5 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 Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.

8.41.6 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.

8.41.7 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

Betty Jackson, Contracts Analyst
L.A. Co. Sheriff's Department's - Contracts Unit
4700 Ramona Boulevard
Monterey Park, California 91754

before any subcontractor employee may perform any work hereunder.

8.42 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.15 – "Contractor's Warranty of Adherence to County's Child Support Compliance Program," shall constitute a default under this Master Agreement. Without limiting the rights and remedies available to the County under any other provision of this Master Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Master Agreement pursuant to Sub-paragraph 8.44 - Termination for Contractor's Default and pursuant to County Code Chapter 2.202.

8.43 TERMINATION FOR CONVENIENCE

8.43.1 County may terminate this Master Agreement, in whole or in part, from time to time or permanently, 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.

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

- Stop work under this Master Agreement, as identified in such notice;

- Transfer title and deliver to County all completed work and work in process; and

- Complete performance of such part of the work as though it had not been terminated by such notice.

8.43.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement shall be maintained by the Contractor in accordance with Sub-paragraph 8.39, Record Retention & Inspection/Audit Settlement.

8.44 TERMINATION FOR CONTRACTOR'S DEFAULT

8.44.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of County's Project Director:

- Contractor has materially breached this Master Agreement;

- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required under this Master Agreement; or

- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Master Agreement, or of any obligations of this Master Agreement 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.

8.44.2 In the event that the County terminates this Master Agreement in whole or in part as provided in Sub-paragraph 8.44.1, 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 Master Agreement to the extent not terminated under the provisions of this Sub-paragraph.

8.44.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.44.2 if its failure to perform this Master Agreement arises 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 Sub-paragraph 8.44.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

8.44.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.44, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.44, or that the default was excusable under the provisions of Sub-paragraph 8.44.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.43 - Termination for Convenience.

8.44.5 In the event the County terminates this Master Agreement in its entirety due to the Contractor's default as provided in Sub-paragraph 8.44.1, 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 Sub-paragraph 8.44.2, 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 Master Agreement 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 Sheriff or designee, deducted from any amounts due to the Contractor by the County, whether under this Master Agreement or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Master Agreement, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.23 - Indemnification.

8.44.6 The rights and remedies of the County provided in this Sub-paragraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.45 TERMINATION FOR IMPROPER CONSIDERATION

8.45.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Master Agreement 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 Master Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Master Agreement. 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.

8.45.2 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.

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

8.46 TERMINATION FOR INSOLVENCY

8.46 The County may terminate this Master Agreement 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.

8.46.2 The rights and remedies of the County provided in this Sub-paragraph 8.46 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.47 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 Master Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Master Agreement.

8.48 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Master Agreement, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Master Agreement during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Master Agreement in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Master Agreement, then this Master Agreement 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.

8.49 VALIDITY

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

8.50 WAIVER

No waiver by the County of any breach of any provision of this Master Agreement 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 Master Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.50 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.51 WARRANTY AGAINST CONTINGENT FEES

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

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

CONFIDENTIAL LAW ENFORCEMENT INVESTIGATIVE SERVICES

IN WITNESS WHEREOF, County of Los Angeles, by order of its Board of Supervisors, has caused this Master Agreement to be executed by the Sheriff, of the Los Angeles County Sheriff's Department and approved by County Counsel, and Contractor to be executed on its behalf by its duly authorized officer, this _____ day of _____, 2005.

COUNTY OF LOS ANGELES

By_____
SHERIFF

By_____
Contractor

Print Name:_____

Title: _____

Date: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By_____
Principal Deputy County Counsel

Date _____

EXHIBIT B

MASTER AGREEMENT

MASTER AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

(CONTRACTOR)

FOR

WORKERS' COMPENSATION FRAUD INVESTIGATIVE SERVICES

MASTER AGREEMENT PROVISIONS
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MASTER AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
AND

_____

FOR
WORKERS' COMPENSATION FRAUD INVESTIGATIVE SERVICES

This Master Agreement is entered into as of the date executed by the County of Los Angeles Sheriff's Department (hereinafter referred to as County), between the County and _____, (hereinafter referred to as Contractor), to provide Workers' Compensation Fraud Investigative Services.

RECITALS

WHEREAS, the County may contract with private businesses for Workers' Compensation Fraud Investigative Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Workers' Compensation Fraud Investigative Services; and

WHEREAS, this Master Agreement is therefore authorized under California Codes, Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Board of Supervisors has authorized the Sheriff of the Los Angeles County Sheriff's Department to execute and administer this Master Agreement; and

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

This base document and Exhibits A, B, C, and D, attached hereto form the Master Agreement. 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, goods, service, or other work, or otherwise between the base document and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the base document and then to the Exhibits according to the following priority:

1.1 EXHIBIT A - Statement of Work

1.2 EXHIBIT B - Invoice

1.3 EXHIBIT C - Contractor's Employee Acknowledgement and Confidentiality Agreement

1.4 EXHIBIT D - Contractor's Non-Employee Acknowledgement and Confidentiality

This Master Agreement constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous agreements, written and oral, and all communications between the parties relating to the subject matter of this Master Agreement. No change to this Master Agreement shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

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, unless otherwise apparent from the context in which they are used.

2.1 **Active Contractor:** Identifies a Qualified Contractor who is in compliance with the terms and conditions and whose evidence of insurance has all been received by the Sheriff' s Department Contracts Unit and are valid and in effect at the time of award. As used herein, the terms Active Contractor and Contractor may be used interchangeably throughout this document.

2.2 **Applicant:** The individual applying for employment with the Los Angeles County Sheriff's Department.

2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the effective date.

2.4 **County Project Director:** Person designated by the Sheriff with authority on contractual or administrative matters relating to this Agreement that cannot be resolved by the County's Project Manager.

2.5 **County Project Manager:** Person designated as chief contact person with respect to the day-to-day administration of the Master Agreement.

2.6 **Day(s):** Calendar day(s) unless otherwise specified.

2.7 **Effective Date:** The date this Master Agreement is executed by the Sheriff

2.8 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

2.9 Master Agreement: County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of Work.

2.10 Pre-Employment Unit: The Unit of the Sheriff's Department charged with completing background investigations of applicants.

2.11 Qualified Contractor: A Contractor who has submitted a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ); has met the minimum qualifications listed in the RFSQ, and has an executed Master Agreement with the Sheriff's Department.

2.12 Request For Statement of Qualifications (RFSQ): A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.

2.13 Sheriff: The Sheriff of Los Angeles County.

2.14 Statement of Qualifications (SOQ): A Contractor's response to an RFSQ.

2.15 Statement of Work: A written description of tasks and/or deliverables desired by County.

2.16 Sub-rosa Surveillance: Is the type of investigation surveillance that involves the physical surveillance of an individual without his or her knowledge or consent. "Sub-rosa means "secret, private, or confidential". The intent of a Sub-rosa surveillance is to capture videotape evidence of the person under investigation.

3.0 WORK

3.1 Pursuant to the provisions of this Master Agreement, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the Confidential Law Enforcement Background Investigative Services Statement of Work, (Exhibit A) and in the Workers' Compensation Fraud Investigative Services Statement of Work, (Exhibit A-1)

3.2 Contractor shall not carry a firearm while performing the duties of this Master Agreement.

3.3 If Contractor provides any task, deliverable, service, or other work to County that goes beyond the scope of the work identified in the Statement of Work, these shall be gratuitous efforts on the part of Contractor for which Contractor shall have no claim whatsoever against County.

3.4 The County's procedures for issuing work orders are set forth in Exhibit A (Statements of Work). Upon determination by the County to issue work, it is the County's intent to issue work orders to all Master Agreement Qualified Contractors on a rotational basis; however, the County's Project Manager has the sole discretion to issue work to any of the Qualified Contractors.

3.5 It is understood by Contractor that this Master Agreement does not guarantee that work will be issued to all Contractors.

4.0 TERM OF MASTER AGREEMENT

4.1 This Master Agreement is effective upon the date of its execution by the Sheriff. This Master Agreement shall expire two years from the date the Master Agreement was authorized by the Los Angeles

County Board of Supervisors unless sooner extended or terminated, in whole or in part, as provided herein.

4.2 The County shall have the option to extend the Master Agreement term for up to one (1) additional one-year period, for a maximum total Master Agreement term of three (3) years from the date the Master Agreement was authorized by the Los Angeles County Board of Supervisors. Such option year shall be exercised by the Sheriff through the Change Notices and Amendment process outlined in Sub-paragraph 8.4.

5.0 CONTRACT SUM

5.1 Contractor shall not be entitled to any payment by the County under this Master Agreement except pursuant to a validly executed work order issued pursuant to the Statement of Work. In each year of this Master Agreement, the total of all amounts actually expended by the County hereunder ("maximum annual expenditures") may not exceed amounts allocated to the Sheriff's Department by the County Board of Supervisors in their approved budgets. The Sheriff has sole discretion to expend some, all, or none of such budgeted amounts. The sum of such annual expenditures for the duration of the Master Agreement is the Contract Sum.

5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without

consideration for any reason whatsoever, shall occur only with the County's express prior written approval.

5.3 **Intentionally Omitted**

5.4 **No Payment for Services Provided Following Expiration/ Termination of Master Agreement**

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 Master Agreement.

Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Master Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Master Agreement.

5.5 **Invoices and Payments**

5.5.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor shall invoice the Sheriff's Department monthly, on a fixed price basis of Sixty Dollars ($60.00) per hour. Qualified Mileage will be paid at the rate established by the County Auditor-Controller, pursuant to Los Angeles County Code, Section 5.40.190 – 5.40.290. Qualified Parking claims pursuant to the County Code will be paid when accompanied with a receipt.

5.5.2 County shall not pay Contractor for any overtime premiums, travel expenses, [excluding qualified mileage and parking

expense], meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses.

5.5.3 All work performed by, and all invoices submitted by Contractor must receive the written approval of County's Project Manager, who shall be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.

5.5.4 Invoices under this Master Agreement shall be submitted, in duplicate, to the Project Manager as indicated in Section 6.0.

5.5.5 **Invoice Content**

The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in Section 4.0 of this Master Agreement.

Each invoice submitted by Contractor shall be in the form of Exhibit B (Invoice) and shall include but not be limited to the following:

- Contractor's Master Agreement Number
- Period of performance (service dates) of work being invoiced
- Name of Contractor who performed the work
- Case/Work Order Number
- Number of hours being billed
- Mileage
- Parking Claim (When Applicable)
- Total amount of the invoice

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

COUNTY ADMINISTRATION

The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Project Director

6.1.1 The County's Project Director for this Agreement shall be the following:

Michael McDermott, Captain
Internal Criminal Investigations Bureau
4900 Eastern Avenue
Los Angeles, California 90703
Telephone (323) 890-5451

6.1.2 The County's Project Director shall have the right at all times to inspect any and all work provided by the Contractor.

6.2 County's Project Manager

6.2.1 The County's Project Manager for this Agreement shall be the following:

Ronald Schram, Sergeant
Internal Criminal Investigations Bureau
4900 Eastern Avenue
Los Angeles, California
Telephone (323) 890-5442

6.2.2 The County's Project Manager is the County's chief contact person with respect to the day-to-day administration of this Master Agreement. The Project Manager shall issue Change Notices that do not affect the scope, term, contract sum, or payment in accordance with sub-paragraph 8.4, Change Notices and Amendments and generally is the first person for Contractor to contact with any questions.

6.2.3 The County's Project Manager shall be responsible for reviewing and approval of all invoices.

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager for this Agreement shall be:

Name
Address
City
Telephone

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Master Agreement and shall coordinate with County's Project Manager on a regular basis with respect to Work.

7.2 Contractor's Authorized Official(s)

Contractor shall promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).

Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Master Agreement on behalf of Contractor.

7.3 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. Contractor shall provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

Contractor shall be responsible to ensure Contractor's staff have been trained and certified under the laws of the State of California as a private investigator and possess a Private Investigator License as specified in the California Business and Professions Code §7521.

Contractor shall immediately notify County's Contract Manager and immediately remove staff under this Master Agreement, when their Private Investigator License have been revoked or suspended and/or convicted of any felony and/or certain misdemeanors (i.e., drug, theft and sex related crimes) that impugn the applicants character, honesty or veracity or demonstrate a bias.

Failure by Contractor to adhere to this Paragraph 7.0 shall be grounds to terminate this Master Agreement as set forth in Paragraph 8.44 (Termination for Contractor's Default).

7.4 Contractor's Staff Identification Badge

Contractor shall provide all staff providing services under this Master Agreement with a photo identification badge in accordance with County specifications. Specifications may change at the discretion of the County and Contractor will be provided new specifications as required. The format and content of the badge is subject to the County's approval prior to the Contractor implementing the use of the badge. Contractor, while on duty or when entering a County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.

7.5 Background and Security Investigations

7.5.1 All Contractors performing work under this Master Agreement shall undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing to work under this Agreement. County shall use its discretion in determining the method of background clearance to be used, which may include but not be limited to fingerprinting. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless, if the Contractor passes or fails the background clearance investigation.

7.5.2 If the Contractor does not pass the background clearance investigation, the County may immediately remove Contractor from working on the County Master Agreement at any time during the term of the Master Agreement. County will not provide to Contractor any information obtained through the County's background clearance investigation.

7.5.3 County may immediately, at the sole discretion of the Project Manager, deny or terminate facility access to Contractor that does not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.

7.6 Confidentiality

The Contractor shall maintain the confidentiality of all records obtained from the County under this Master Agreement in accordance with all applicable Federal, State or local laws, ordinances, regulations and directives relating to confidentiality. The Contractor shall inform all of its officers, employees, agents

and subcontractors providing services hereunder of the confidentiality provision of this Master Agreement. The Contractor shall cause each employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit C. The Contractor shall cause each non-employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit D.

8.0 TERMS AND CONDITIONS

8.1 ASSIGNMENT AND DELEGATION

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Master Agreement, or both, either in whole or in part, without the prior written consent of the Sheriff's Department. Any unapproved assignment or delegation shall be null and void. Any payments by the Sheriff's Department to any approved delegate or assignee on any claim under this Master Agreement shall be deductible, at the Sheriff's Department's sole discretion, against the claims, which the Contractor may have against the County.

8.1.2 If any assumption, assignment, delegation, 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 without the express prior written approval of the Sheriff's Department, the Sheriff may, in his sole discretion, terminate this Agreement.

8.2 AUTHORIZATION WARRANTY

The Contractor and the person executing the Agreement on behalf of Contractor hereby represent and warrant that the person executing the Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of the Agreement and that all requirements of Contractor have been fulfilled to provided such actual authority.

8.3 BUDGET REDUCTIONS

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Master Agreements, 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 the Master Agreement. 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 Master Agreement.

8.4 CHANGE NOTICES AND AMENDMENTS

8.4.1 The County reserves the right to initiate Change Notices that do not affect the scope or payment pursuant to this Master Agreement. All such changes shall only be accomplished with an executed Change Notice signed by the Contractor and by the County's Project Manager.

8.4.2 The Sheriff of Los Angeles County Sheriff's Department may, at his sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Master Agreement. The

Contractor agrees that such extensions of time shall not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Sheriff.

8.4.3 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 the Master Agreement during the term of this Master Agreement. 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 orders, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by the Board of Supervisors.

8.5 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints. At a minimum, the policy should include:

- Within five (5) business days of receiving the complaint, the Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation;

- 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; and

- Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes. If the County request changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.

If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County's Project Manager for approval before implementation.

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 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 Master Agreement are hereby incorporated herein by reference.

8.6.2 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.

8.7 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 Master Agreement or under any project, program, or activity supported by this Master Agreement. The Contractor shall comply with Contractor's EEO Certification.

8.8 COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program:

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

8.8.2 Written Employee Jury Service Policy

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.

2. For purposes of this Sub-paragraph, "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 Master Agreement, 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.

3. If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition

of "Contractor" or if Contractor no longer qualifies for an exception to the 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 Master Agreement 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.

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

8.9 CONFLICT OF INTEREST

8.9.1 No County employee whose position with the County enables such employee to influence the award of this Master Agreement or any competing Master Agreement, 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 Master Agreement. 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.

8.9.2 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 Master Agreement. 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 8.9 shall be a material breach of this Master Agreement.

8.10 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 Master Agreement 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 Master Agreement.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement, 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. The County will refer GAIN/GROW participants by job category to the Contractor.

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

8.12 CONTRACTOR'S RESPONSIBILITY AND DEBARMENT

8.12.1 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 Master Agreement. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 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 agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Master Agreement, debar the Contractor from bidding on any County Agreements for a specified period of time not to exceed three (3) years, and terminate any or all existing Agreements the Contractor may have with the County.

8.12.3 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 any term of an Agreement with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Master Agreement with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

If there is evidence that the Contractor may be subject to debarment, the Sheriff's Department will notify the Contractor in writing of the evidence that 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.

The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing

Board, the Contractor may be deemed to have waived all rights of appeal.

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.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the Contractor's place of business. The County's Child Support Services Department will supply the Contractor with the poster to be used.

8.14 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.

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

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

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

8.16 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Master Agreement on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Master Agreement terms and conditions and performance standards.

Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Master Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Master Agreement.

8.17 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.17.1 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.

8.17.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.18 EMPLOYMENT ELIGIBILITY VERIFICATION

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 Master Agreement 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.

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 Master Agreement.

8.19 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Master Agreement, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.20 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.

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

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

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Master Agreement 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.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Master Agreement 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.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Master Agreement 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 Master Agreement.

8.22.4 As previously instructed in sub-paragraph 7.6 – Confidentiality, the Contractor shall cause each employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Employee Acknowledgment and Confidentiality Agreement, Exhibit C. The Contractor shall cause each non-employee performing services covered by this Master Agreement to sign and adhere to the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement, Exhibit D.

8.23 INDEMNIFICATION

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

8.24 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the term of this Master Agreement, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this

Master Agreement. 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.

8.24.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

Betty Jackson, Contract Analyst
L.A. County Sheriff's Department – Contracts Unit
4700 Ramona Boulevard
Monterey Park, California 91754

Prior to commencing services under this Master Agreement. such certificates or other evidence shall:

- Specifically identify this Master Agreement;
- Clearly evidence all coverages required in this Master Agreement;
- 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 Master Agreement; and
- 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.

8.24.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

8.24.3 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 Master Agreement upon which the County may immediately terminate or suspend this Master Agreement. 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.

8.24.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- Any accident or incident relating to services performed under this Master Agreement 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 Master Agreement.

- 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 Project 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 Master Agreement.

8.24.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Master Agreement, 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.

8.24.6 Insurance Coverage Requirements for Subcontractors: The Contractor shall ensure any and all subcontractors performing services under this Master Agreement meet the insurance requirements of this Master Agreement 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.

8.25 INSURANCE COVERAGE REQUIREMENTS

8.25.1 General Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	$1 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million
Each Occurrence:	$1 million

8.25.2 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".

8.25.3 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. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	$1 million
Disease - policy limit:	$1 million
Disease - each employee:	$1 million

8.25.4 **Professional Liability** insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than $1 million per claim, $1million aggregate.

8.26 LIQUIDATED DAMAGES

8.26.1 If, in the judgment of the Sheriff, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Sheriff, at his 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 Sheriff in a written notice describing the reasons for said action.

8.26.2 If, the Sheriff determines that there are deficiencies in the performance of this Contract that the Sheriff deems are correctable by the Contractor over a certain time span, the Sheriff will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Sheriff 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 time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars ($100) per day per infraction. Contractor shall be liable to the County 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.

8.26.3 The action noted in Sub-paragraph 8.26.2 shall not be construed as a penalty, but as an 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 Master Agreement.

8.26.4 This Sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law and shall not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

8.27 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

This Master Agreement 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.

8.27.1 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.

8.27.2 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.

8.27.3 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 Master Agreement to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the Master Agreement amount and what the County's costs

would have been if the work had been properly awarded; and

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 Master Agreement amount; 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).

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.

8.28 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Master Agreement 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 Master Agreement, then such lower prices shall be immediately extended to the County.

8.29 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.29.1 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.

8.29.2 The Contractor shall certify to, and comply with, the provisions of - Contractor's EEO Certification.

8.29.3 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.

8.29.4 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.

8.29.5 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 Master

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

8.29.6 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 Sub-paragraph 8.29 when so requested by the County.

8.29.7 If, the County finds that any provisions of this Sub-paragraph 8.29 have been violated, such violation shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement 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 Master Agreement.

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

8.30 NONEXCLUSIVITY

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

8.31 NOTICE OF DELAYS

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

8.32 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Master Agreement. If the County Project Manager or County Project Director is not able to resolve the dispute, the Sheriff shall resolve it.

8.33 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.

8.34 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 available on the Internet at www.babysafela.org for printing purposes.

8.35 NOTICES

All notices or demands required or permitted to be given or made under this Master Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Section 6.0, Administration of Contract – County and Section 7.0, Administration of Contract – Contractor. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Sheriff shall have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

8.36 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the term of this Master Agreement 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.

8.37 PUBLIC RECORDS ACT

8.37.1 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 Sub-paragraph 8.39 - Record Retention and Inspection/Audit Settlement of this Master Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, 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.

8.37.2 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 an SOQ marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.38 PUBLICITY

8.38.1 The Contractor shall not disclose any details in connection with this Master Agreement 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 Master Agreement within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and

- During the term of this Master Agreement, 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 Project Director. The County shall not unreasonably withhold written consent.

8.38.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.38 shall apply.

8.39 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Master Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Master Agreement. 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 Master Agreement. 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 Master Agreement 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. 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.

8.39.1 In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor 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 Master Agreement. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.39.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.

8.39.3 If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, 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 Master Agreement 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 Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

8.40 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 Master Agreement.

8.41 SUBCONTRACTING

8.41.1 The requirements of this Master Agreement may not be subcontracted by the Contractor without the advance approval of the County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Master Agreement.

8.41.2 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.

8.41.3 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.

8.41.4 The Contractor shall remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.41.5 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 Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.

8.41.6 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.

8.41.7 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs

of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

Betty Jackson, Contracts Analyst
L.A. Co. Sheriff's Department's - Contracts Unit
4700 Ramona Boulevard
Monterey Park, California 91754

before any subcontractor employee may perform any work hereunder.

8.42 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.15 – "Contractor's Warranty of Adherence to County's Child Support Compliance Program," shall constitute a default under this Master Agreement. Without limiting the rights and remedies available to the County under any other provision of this Master Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Master Agreement pursuant to Sub-paragraph 8.44 - Termination for Contractor's Default and pursuant to County Code Chapter 2.202.

8.43 TERMINATION FOR CONVENIENCE

8.43.1 County may terminate this Master Agreement, in whole or in part, from time to time or permanently, 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.

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

- Stop work under this Master Agreement, as identified in such notice;
- Transfer title and deliver to County all completed work and work in process; and
- Complete performance of such part of the work as though it had not been terminated by such notice.

8.43.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement shall be maintained by the Contractor in accordance with Sub-paragraph 8.39, Record Retention & Inspection/Audit Settlement.

8.44 TERMINATION FOR CONTRACTOR'S DEFAULT

8.44.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of County's Project Director:

- Contractor has materially breached this Master Agreement;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required under this Master Agreement; or

- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Master Agreement, or of any obligations of this Master Agreement 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.

8.44.2 In the event that the County terminates this Master Agreement in whole or in part as provided in Sub-paragraph 8.44.1, 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 Master Agreement to the extent not terminated under the provisions of this Sub-paragraph.

8.44.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.44.2 if its failure to perform this Master Agreement arises 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 Sub-paragraph 8.44.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

8.44.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.44, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.44, or that the default was excusable under the provisions of Sub-paragraph 8.44.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.43 - Termination for Convenience.

8.44.5 In the event the County terminates this Master Agreement in its entirety due to the Contractor's default as provided in Sub-paragraph 8.44.1, 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 Sub-paragraph 8.44.2, 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 Master Agreement 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 Sheriff or designee, deducted from any amounts due to the Contractor by the County, whether under this Master Agreement or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Master Agreement, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.23 - Indemnification.

8.44.6 The rights and remedies of the County provided in this Sub-paragraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.45 TERMINATION FOR IMPROPER CONSIDERATION

8.45.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Master Agreement 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 Master

Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Master Agreement. 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.

8.45.2 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.

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

8.46 TERMINATION FOR INSOLVENCY

8.46 The County may terminate this Master Agreement 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.

8.46.2 The rights and remedies of the County provided in this Sub-paragraph 8.46 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.47 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 Master Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Master Agreement.

8.48 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Master Agreement, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Master Agreement during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Master Agreement in the County's Budget for each such future fiscal year. In the event

that funds are not appropriated for this Master Agreement, then this Master Agreement 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.

8.49 VALIDITY

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

8.50 WAIVER

No waiver by the County of any breach of any provision of this Master Agreement 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 Master Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.50 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.51 WARRANTY AGAINST CONTINGENT FEES

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

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

8.52 CONTRACTOR'S OBLIGATION AS BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

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

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

Therefore, the parties agree as follows:

DEFINITIONS

1.1 "Disclose" or "Disclosure" means, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.

1.2 "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

1.3 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

1.4 "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

1.5 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information, whether oral or recorded in any form or medium, that (i) relates to the past, present, or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Health Information.

1.6 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation

with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

1.7 "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.

1.8 "Services" has the same meaning as in the body of this Agreement.

1.9 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations.

1.10 Terms used, but not otherwise defined in this Paragraph shall have the same meaning as those terms in the HIPAA Regulations.

OBLIGATIONS OF BUSINESS ASSOCIATE

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

(a) shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;

(b) shall Disclose Protected Health Information to Covered Entity upon request;

(c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

(i) Use Protected Health Information; and

(ii) Disclose Protected Health Information if the Disclosure is Required by Law.

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

2.2 Adequate Safeguards for Protected Health Information. Business Associate:

(a) shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Paragraph. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.

(b) effective as of April 20, 2005, specifically as to Electronic Health Information, shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information.

2.3 Reporting Non-Permitted Use or Disclosure and Security Incidents. Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement, and effective as of April 20, 2005, shall report to Covered Entity each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the Department of Mental Health's Privacy Officer, telephone number 1(213) 738-4864 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief Privacy Officer, County of Los Angeles
Kenneth Hahn Hall of Administration
500 West Temple ST.
Suite 525
Los Angeles, CA 90012

2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph.

2.5 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information available to

the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.

2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

2.8 Accounting of Disclosures. Business Associate agrees to maintain documentation of the information required to provide an accounting of Disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528, and to make this information available to Covered Entity upon Covered Entity's request, in order to allow Covered Entity to respond to an Individual's request for accounting of disclosures. However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform its Services if such Disclosures are for either payment or health care operations purposes, or both. Additionally, such accounting is limited to disclosures that were made in the six (6) years prior to the request (not including disclosures that were made prior to the compliance date of the Privacy Rule, April 14, 2003) and shall be provided for as long as Business Associate maintains the Protected Health Information.

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

accordance with this Section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

OBLIGATION OF COVERED ENTITY

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

TERM AND TERMINATION

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

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

(a) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

(b) Immediately terminate this Agreement if Business Associate has breached a material term of this Paragraph and cure is not possible; or

(c) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information Upon Termination or Expiration.

(a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

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

MISCELLANEOUS

5.1 No Third Party Beneficiaries. Nothing in this Paragraph shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph.

5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Paragraph is contrary to another provision of this Agreement, the provision of this Paragraph shall control. Otherwise, this Paragraph shall be construed under, and in accordance with, the terms of this Agreement.

5.4 Regulatory References. A reference in this Paragraph to a section in the Privacy or Security Regulations means the section as in effect or as amended.

5.5 Interpretation. Any ambiguity in this Paragraph shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

5.6 Amendment. The parties agree to take such action as is necessary to amend this Paragraph from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations."

WORKERS' COMPENSATION FRAUD INVESTIGATIVE SERVICES

IN WITNESS WHEREOF, County of Los Angeles, by order of its Board of Supervisors, has caused this Master Agreement to be executed by the Sheriff, of the Los Angeles County Sheriff's Department and approved by County Counsel, and Contractor to be executed on its behalf by its duly authorized officer, this _____ day of _____, 2005.

COUNTY OF LOS ANGELES

By_____

SHERIFF

By_____

Contractor

Print Name:_____

Title: _____

Date: _____

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By_____

Principal Deputy County Counsel

Date _____