



**BRUCE A. CHERNOF, M.D.**  
Acting Director and Chief Medical Officer

**JOHN R. COCHRAN, III**  
Chief Deputy Director

**WILLIAM LOOS, M.D.**  
Acting Senior Medical Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

BOARD OF SUPERVISORS

**Gloria Molina**  
First District

**Yvonne Brathwaite Burke**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

January 26, 2006

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

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 7 TO AGREEMENT NO. 44731 FOR  
FUND-RAISING SERVICES (4<sup>th</sup> District) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Acting Director of Health Services, or his designee, to sign Amendment No. 7 to Agreement No. 44731 to approve the relocation of the Rancho Los Amigos Hospital Foundation, Inc. (Foundation) at Rancho Los Amigos National Rehabilitation Center (Rancho) by relocating the Foundation Office and adding space for a flower shop, and the adjustment of the annual value of all Foundation space to \$175,752, and amend the payment clause of the Agreement.
2. Delegate to the Acting Director of Health Services the authority to adjust any future space allocations for the Foundation at Rancho with the approval of the Chief Administrative Office.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS:

In approving recommendation No. 1, the Board will approve the relocation of the Foundation office and the addition of space for a flower shop, the adjustment of the annual value of Foundation space which also includes a gift shop and a thrift shop, and amend the payment clause. The Foundation office is relocating into the same building as Finance and out of a leaky building that requires significant maintenance for continued habitation and will be vacated once the office move is completed.

Approval of recommendation No. 2 will provide the Department of Health Services the flexibility to adjust space allocation in accordance with the needs of Rancho's operations.

FISCAL IMPACT/FINANCING:

There is no monetary payment between the parties. The reduction in the square footage for the Foundation office is from 1,145 square feet to 716 square feet. An additional 502 square feet is being allocated to the Foundation for a flower shop. The Chief Administrative Office Real Estate Division recommends using a value of \$2.00 per square foot, per month, for all the space. The rate is an increase from the previously used rate which had been developed by a non-County entity. In addition to the office space and the flower shop, the Foundation has a gift shop (400 square feet) and a thrift shop (5,705 square feet) for a total annual space value of \$175,752.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On June 21, 1983, the Board approved an Agreement with the Foundation for fund-raising services at Rancho in exchange for which the County provides space and in-kind support to the Foundation. On October 31, 1989, the Board approved Amendment No. 1 authorizing the Foundation to act as the County's agent in collecting fees from health workers participating in continuing education programs taught by County personnel.

Subsequently, the Board and/or the Department of Health Services approved the following Amendments: Amendment No. 2, approved on November 13, 1990, provided additional support by the County to the Foundation's fund-raising efforts, (e.g., personnel, and various office supplies); Amendment No. 3 approved on August 4, 1998, modified space allocated to the Foundation and allowed the Foundation to provide a gift shop and thrift shop concessionaire services; Amendment No. 4, approved March 18, 2003, added the Health Insurance Portability and Accountability Act (HIPAA) language; and Amendment No. 5, approved on August 17, 2004, modified the language describing the current location for space made available to the Foundation and added standard contract provisions. Amendment No. 6, dated April 20, 2005, added the HIPAA provision for Los Angeles County as a covered hybrid entity.

Approval of Amendment No. 7 will allow Rancho to relocate the Foundation office and add 502 square feet for a flower shop. The overall Foundation space is increasing from 7,250 to 7,323.

In addition, the Amendment will add required language regarding the Contractor's Charitable Activities Compliance and revised Contractor Responsibility and Debarment language. The payment paragraph is being revised so that it is similar to the language originally approved by the Board, removing the requirement approved in 1990 that County's cost for the space, facilities and in-kind support not exceed 25% of the amount of funds provided by the Foundation.

The Foundation does not receive any in-kind support from Rancho except for the space. The delegated authority will allow the Acting Director of Health Services to make changes to the utilization of space by the Foundation. The Agreement provides for automatic renewals with a 60-day advance notice to terminate.

The Honorable Board of Supervisors  
January 26, 2006  
Page 3

Over the years, the Foundation has provided direct benefit to Rancho's patients and the hospital. For example, indigent patients have received wheelchairs and Rancho has been able to obtain equipment that they would not otherwise be able to use.

Attachment A provides additional information.

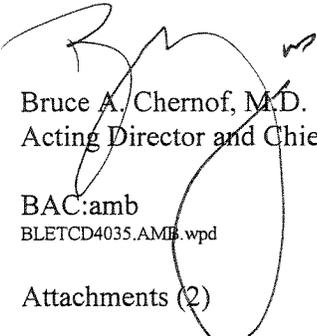
County Counsel has approved this Amendment No. 7 as to use.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Services at Rancho will continue uninterrupted.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.  
Acting Director and Chief Medical Officer

BAC:amb  
BLETC4035.AMB.wpd

Attachments (2)

- c. Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

**SUMMARY OF AGREEMENT**

1. TYPE OF SERVICE:

Fund-Raising Services

2. AGENCY ADDRESS AND CONTACT PERSON:

Rancho Los Amigos Hospital Foundation, Inc.  
7601 East Imperial Highway  
Downey, CA 90242  
Attention: Gary Erickson, Executive Director  
Telephone: (562) 401-7053

3. TERM:

Agreement No. 44731 became effective on June 21, 1983 with automatic yearly renewals and a provision for a written 60-day notice of termination.

4. FINANCIAL INFORMATION:

There is no monetary payment between the parties. The adjusted annual value of space is \$175,752 for approximately 7,323 square feet, at \$2.00 per square foot per month.

5. APPROVALS:

Rancho Los Amigos National Rehabilitation Center:	Valerie Orange, CEO Rancho
Contracts & Grants Division:	Cara O'Neill, Chief
County Counsel (as to form):	Sharon A. Reichman, Principal Deputy

**FUND-RAISING SERVICES AGREEMENT**

AMENDMENT NO. 7

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2006,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

RANCHO LOS AMIGOS HOSPITAL  
FOUNDATION, INC., a California  
non-profit public benefit  
corporation, (hereinafter  
referred to as "Foundation").

WHEREAS, reference is made to that certain document entitled  
FUND-RAISING SERVICES AGREEMENT, dated June 21, 1983, and further  
identified as County Agreement No. 44731, including Amendment  
Nos. 1 through 6, (all hereafter "Agreement"); and

WHEREAS, Agreement provides that changes may be made in the  
form of a written Amendment which is formally approved and  
executed by both parties; and

WHEREAS, the parties desire to amend the payment paragraph  
and Exhibit A, Terms and Conditions of Utilization of County  
Space, of the Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. Paragraph 2, PAYMENT, of the Agreement shall be revised  
as follows:

"2. PAYMENT: There shall be no monetary payment by County to Foundation under this Agreement. In exchange for fund-raising services to be provided by Foundation, as specified in Paragraph 3, (DESCRIPTION OF SERVICES), County shall provide space and facilities to Foundation, as specified in Exhibit A, attached hereto and incorporated herein by reference."

2. Paragraph 30, CONTRACTOR RESPONSIBILITY AND DEBARMENT, of the Agreement shall be replaced in its entirety:

"30. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

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

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of the Contractor on this or other agreements, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County

agreements for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing agreements Contractor may have with County.

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

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

hearing before the Contractor Hearing Board.

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

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

G. If a Contractor has been debarred for a period longer than five years, that Contractor may,

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

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) Contractor has been debarred for a period longer than five years; 2) the debarment has been in effect for at least five years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of

debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

I. These terms shall also apply to subcontractors or subconsultants of County Contractors."

3. Paragraph 36, CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE, shall be added to the Agreement to read as follows:

"36. CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE: The Supervision of Trustees and Fund-raisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the certification in Exhibit C, attached hereto and incorporated

herein by reference, County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)."

4. Exhibit A, Paragraph 1, shall be amended as follows:

"1. Premises Subject to this Agreement: Foundation is hereby granted permission to utilize, in accordance with the following terms and conditions, the following County facilities located at Rancho Los Amigos National Rehabilitation Center, 7601 East Imperial Highway, Downey, California 90242 described in Schedule A-3, Identification of County Facilities Space, attached hereto and incorporated herein as reference."

5. Exhibit A, Paragraph 3, shall be amended as follows:

"3. Value of Space: The parties acknowledge that the annual value of the premises to be used is \$175,752. Said value is to include necessary utilities, i.e., gas, electricity, water, telephone, general repair and maintenance (but exclude the repair and maintenance referred to in Paragraph 4.C of this Exhibit A), and general security

and housekeeping services (except for those security and housekeeping services which are Foundation responsibilities under Paragraph 4 of this Exhibit A)."

6. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

/

Acting Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Bruce A. Chernof, M.D.  
Acting Director and Chief  
Medical Officer

RANCHO LOS AMIGOS HOSPITAL  
FOUNDATION, INC., a California  
non-profit public benefit  
corporation

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM BY THE  
OFFICE OF THE COUNTY COUNSEL:

By \_\_\_\_\_  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By \_\_\_\_\_  
Cara O'Neill, Chief  
Contracts and Grants Division

amb.1/23/06  
AMENDCD4193.AMB

SCHEDULE A-3

IDENTIFICATION OF COUNTY FACILITIES SPACE

SUBJECT TO TERMS AND CONDITIONS OF SPACE USE

<u>TYPE OF SERVICE</u>	<u>LOCATION</u>	<u>SQUARE FEET</u>
Foundation Office	SSA	716
Gift Shop	601 Solarium	400
Thrift Shop	Building 605	5,705
Flower Shop	603 Annex Building	502
Total Square Feet:	7,323	

CHARITABLE CONTRIBUTIONS CERTIFICATION

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

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

Internal Revenue Service Employer Identification Number: \_\_\_\_\_

California Registry of Charitable Trusts "CT" number (if applicable) \_\_\_\_\_

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

CERTIFICATION	YES	NO
---------------	-----	----

Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations sections 300-301 and Government Code sections 12585-12586.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name and Title (please type or print)