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

LEROY D. BACA, SHERIFF

September 19, 2006

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

Dear Supervisors:

**APPROVAL TO EXTEND CONTRACT FOR INMATE COMMISSARY SERVICES (ALL DISTRICTS) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Mayor of the County of Los Angeles to sign Amendment Number 15 to County Contract Number 70912, to increase County's percentage of revenue and to extend the current Inmate Commissary Services with Compass Group, USA, Canteen Corporation Contract, for a term not to exceed twelve (12) months, effective September 29, 2006.

2. Authorize the Sheriff or his designee to execute the amendment to extend the term of the contract in any increment, if it is in the best interest of the County.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommended action is to enable the Los Angeles County Sheriff's Department (Department) to continue receiving Inmate Commissary Services from the contractor, Compass Group, USA, Canteen Corporation, while an audit of the contract is approaching its completion and a Request For Proposal for a new contract is being released. The Inmate Commissary Services provides inmates an opportunity to purchase a variety of goods from the contractor. The revenue generated from the commissary operation is deposited into the Inmate Welfare Fund and provides funding for inmate programs and services.

The current Inmate Commissary Services contract has been in effect since July 1997 and will expire on September 28, 2006.

Implementation of Strategic Plan Goals

The services provided under this agreement support the County's Strategic Goal 1, Service Excellence, and Goal 4, Fiscal Responsibility, by allowing the Department to provide better services to inmates and generating revenue to offset County expenses.

## FISCAL IMPACT/FINANCING

The Inmate Commissary Services contract is a revenue-generating contract and will not have a fiscal impact on the Department's budget. The Inmate Commissary Services generated a net sales of $13,080,970, with a net commission of $3,814,730 for Fiscal Year 2005-06. All net revenue generated will be deposited in the Department's Inmate Welfare Fund which provides funding for various inmate programs and partially offsets County expenses for the maintenance of all County detention facilities.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This Contract, approved by the Board in July 1997, is for the provision of commissary goods to inmates at County detention facilities, including Mira Loma. The rate of revenue during the extension period will increase due to minor contract changes as agreed upon by Compass Group, USA, Canteen Corporation. The provision of the Inmate Commissary Services, although not a legal requirement, provides inmates, and friends and families of inmates with an opportunity to purchase snacks, conveniences, and services, while generating revenue to the Inmate Welfare Fund. The Amendment will also update the contract with Board-approved language implemented since the date the contract was initially approved.

## CONTRACTING PROCESS

This section is not applicable as this is a request to extend the existing contract.

## IMPACT ON CURRENT SERVICES

There will be no impact on the Department's operations due to the extension of contract.

**CONCLUSION**

Upon approval by your Board, please return the signed amendments and two adopted copies of this action to the Sheriff's Department, Fiscal Administration, Contracts Unit.

Sincerely,

LEROY D. BACA
SHERIFF

## COUNTY OF LOS ANGELES SHERIFF'S DEPARTMENT

## AMENDMENT NUMBER 15 TO AGREEMENT NUMBER 70912 BY AND BETWEEN COMPASS GROUP, USA, CANTEEN CORPORATION AND THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT FOR COMMISSARY SERVICES TO INMATES

This Amendment Number 15 ("Amendment") is entered into by and between the County of Los Angeles (hereinafter "County") and Compass Group, USA, Canteen Corporation, (hereinafter "Contractor"), effective as of the date authorized by the County Board of Supervisors, based on the following recitals:

A. WHEREAS, the County and Contractor have entered into Agreement No. 70912 to provide commissary services in the Los Angeles County Jail; and

B. WHEREAS, the current contract expires on September 28, 2006; and

C. WHEREAS, County and Contractor desire to extend this Agreement beyond the current expiration date of September 28, 2006; and

D. WHEREAS, County and Contractor also desire to update the Agreement to revise the term and payment provisions; and to include all standard County contract provisions that the Board adopted after the original Agreement was approved;

NOW THEREFORE, in consideration of the foregoing recitals, all of which are incorporated as part of this Agreement, County and Contractor hereby further agree as follows:

**1.** Amend and restate Section 1.0 (Term and Termination) of the Agreement in its entirety as follows:

> The term of the Agreement shall commence on September 29, 1997 and shall be extended for up to twelve months from the date this Amendment 15 is approved by the County Board of Supervisors. The Agreement shall be extended during that twelve month period upon written notice by and at the discretion of the Sheriff, on a month-to-month basis in any increment.

**2.** Amend and restate Exhibit B (Payment Provisions) of the Agreement in its entirety as follows:

A. Contractor shall pay to the County for the concession and use granted herein, thirty-five percent (35%) of the Gross Sales. An amount equal to thirty-five percent (35%) of the Gross Sales will be retained by the County

and deposited in the Inmate Welfare Fund upon approval and payment of Contractor's invoice.

B. "Gross Sales" is defined as the total dollar amount of sales to inmates less the following:

i. Prepaid Vending Machine Cards and handling charges;
ii. Prepaid Telephone Cards and handling charges;
iii. Postage stamps;
iv. Postage stamped envelopes;
v. Haircuts and Indigent Haircuts, as defined in Amendment No. 3
vi. County-purchased "Gift Packs" as defined in Change Notice No. 3
vii. County-purchased Admission Kits/Indigent Inmate Kits, as defined in Amendment No. 2
viii. Pro-per items, as defined in Change Notice No. 7
ix. Indigent eye glasses
x. Sales tax

C. Contractor shall submit its invoice and Gross Sales report, every other week to:

Los Angeles County Sheriff's Department
4700 Ramona Boulevard
Second Floor
Monterey Park, CA 91754-2169
Attention: Special Fund Accounting/Jail Stores

D. Payment shall be made by check or draft issued payable to Canteen Services every other week within thirty (30) days from the date of receipt of Contractor's invoice. Invoice shall include the Agreement number. Payment shall be forwarded to Canteen Services at the following address:

Canteen Correctional Services
21021 Osborne Street
Canoga Park, CA 91304

Attention: Mr. Larry Jolly

E. Payment of all applicable sales tax shall be the sole responsibility of Contractor.

3. Amend and restate Section 4 (Administration) of the Agreement in its entirety as follows:

4.1 COUNTY ADMINISTRATION

4.1.1 County's Project Director
County's Project Director shall be responsible for ensuring that the objectives of this Contract are met; and providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements. County's Project Director for this Agreement shall be the following person:

Lt. Paula Tokar
Inmate Services Unit
450 Bauchet Street, Rm E888
Los Angeles, CA 90012
Telephone (213) 893-5111
Fax (323) 415-2566
E-mail address: pltokar@lasd.org

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

4.1.2 County's Project Manager
County's Project Manager shall be responsible for meeting with the Contractor's Project Manager on a regular basis; and inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor. The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever. County's Project Manager for this Agreement shall be the following person:

Sgt. Grady Machnick
Inmate Services Unit
450 Bauchet Street, Rm E888
Los Angeles, CA 90012
Telephone (213) 893-5112
Fax (323) 415-7502
E-mail address: gmmachni@lasd.org

4.2 CONTRACTOR ADMINISTRATION

4.2.1 Contractor's Project Manager
Contractor's Project Manager shall be responsible for Contractor's performance of all its tasks and ensuring Contractor's compliance with this

Agreement, and the Contractor's day-to-day activities as related to this Contract. Contractor's Project Manager shall coordinate with County's Project Manager on a regular basis. Contractor's Project Manager shall be the following person, or designee:

Mr. Larry Jolly
Compass Group, USA, Canteen Corporation
21021 Osborne Street
Canoga Park, CA 91304
Telephone (818) 709-1420
Fax (818) 709-8448
E-mail address: larry.jolly@exch.compass-usa.com

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

4.3 APPROVAL OF CONTRACTOR'S STAFF
County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

**4.** Amend and restate Section 6.0 (Delegation and Assignment) of the Agreement in its entirety as follows:

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

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

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

**5.** Amend and restate Section 18.0 (Indemnification) of the Agreement in its entirety as follows:

Contractor shall indemnify, defend, and hold harmless County, its districts administered by County, and their elected and appointed officers, employees, and agents (the "County Indemnitees") from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting, attorney and other professional fees) in any way arising from, connected with, or related to Contractor's, Contractor's agents', employees', officers', directors', or shareholders' acts, errors or omissions. Any legal defense pursuant to Contractor's indemnification obligations under this Section 18.0 (Indemnification and Insurance) shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County in writing, which approval shall not be unreasonably withheld or delayed. Contractor shall not, however, without County's prior written approval, accept any settlement, or enter a plea of guilty or *nolo contender*, to any charge or claim that results in other than a monetary judgment against County Indemnitees, which monetary judgment shall not exceed Contractor's ability to pay and which shall be paid by Contractor.

**6.** Amend and restate Section 38.0 (Confidentiality) of the Agreement in its entirety as follows:

38.1 General

Contractor shall maintain the confidentiality of all records and information, events or circumstances which occur during the course of Contractor's performance under the Agreement, in accordance with all applicable Federal, State, and local laws, regulations, ordinances, guidelines, and directives relating to confidentiality. Contractor shall inform all of its directors, officers, shareholders, employees, and agents providing services hereunder of the confidentiality provisions of the Agreement. Contractor shall provide to County an executed Contractor's Employee Acknowledgment and Confidentiality Contract (Exhibit E1 to the Agreement) for each of its employees performing Work under the Agreement. Notwithstanding anything herein to the contrary, Contractor

acknowledges and agrees that it is responsible for any breach of the obligations of confidentiality set forth herein by any person or entity to whom Contractor discloses such confidential information.

38.2 Disclosure of Information.

38.2.1 With respect to any confidential information obtained by Contractor pursuant to the Agreement, Contractor shall: (a) not use any such records or information for any purpose whatsoever other than carrying out the express terms of the Agreement; (b) promptly transmit to County all requests for disclosure of any such records or information; (c) not disclose, except as otherwise specifically permitted by the Agreement, any such records or information to any person or organization other than County without County's prior written authorization that the records are, or information is, releasable; and (d) at the expiration or termination of the Agreement, return all such records and information to County or maintain such records and information according to the written procedures sent to Contractor by County for this purpose.

38.2.2 Without limiting the generality of Subsection 38.2.1 of this Agreement, in the event Contractor receives any court or administrative agency order, service of process, or request by any person or entity (other than Contractor's professionals) for disclosure of any such details, Contractor shall immediately notify the County Project Director. Thereafter, Contractor shall comply with such order, process, or request only to the extent required by applicable law. Notwithstanding the preceding sentence, to the extent permitted by law, Contractor shall delay such compliance and cooperate with County to obtain relief from such obligations to disclose until County shall have been given a reasonable opportunity to obtain such relief.

38.3 Contractor Information

Any and all confidential or proprietary information which is developed or was originally acquired by Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to the County Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "proprietary" or "confidential." County shall undertake reasonably to maintain the confidentiality of materials marked by Contractor as "proprietary" or "confidential." Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

38.3.1 Any of Contractor's proprietary and/or confidential materials not plainly and prominently marked with restrictive legends;

38.3.2 Any disclosure of any materials which County is required to make under the California Public Records Act or otherwise by law; and

38.3.3 Any materials indicating the volume, frequency and type of goods and services provided by Contractor.

38.4 Use of County Name

In recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publishing its role under the Agreement within the following conditions:

38.4.1 Contractor shall develop all publicity material in a professional manner.

38.4.2 During the Term, Contractor shall not publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of the County Project Director, which shall not be unreasonably withheld or delayed.

38.4.3 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded the Agreement with County, provided that the requirements of this Subsection 38.4 (Use of County Name) (other than the requirements set forth in Subsection 38.4.2) shall apply.

38.4.4 Notwithstanding anything herein to the contrary, County reserves the right to object to any use of County's name and Contractor shall cure promptly and prospectively any use of County's name that has been objected to by County.

38.5 Injunctive Relief

Contractor acknowledges that a breach by Contractor of this Section 38.0 (Confidentiality) may result in irreparable injury to County that may not be adequately compensated by monetary damages and that, in addition to County's other rights under the Agreement and at law and in equity, County shall have the right to injunctive relief to enforce the provisions of this Section 38.0 (Confidentiality).

7. Amend and restate Section 40.0 (Records Retention, Inspections and Audits) of the Agreement in its entirety as follows:

40.1 Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement. Contractor agrees that 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 Agreement. All such material, including, but not limited to, all financial records, time cards, and other employment records and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to County during the term of this Agreement and for a period of four years thereafter unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

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

40.3 Failure on the part of Contractor to comply with the provisions of this Section 40.0 shall constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement.

40.4 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Contract.

8. Amend and restate Section 48.0 (Modification and Amendment of Terms) of the Agreement in its entirety as follows

48.1 For any change which affects the scope of work, period of performance, payments, Contract Sum, and/or any term or condition included in this Agreement, a negotiated Amendment to the Agreement must be approved and executed by the Contractor and County's Board of Supervisors.

48.2 For any change which does not affect the scope of work, period of performance payments, or any rights or obligations of the Agreement, a Change Notice shall be prepared and executed by County's Project Director and Contractor's Project Manager, upon approval of County Counsel.

**9.** Additional Sections added to the Body of the Agreement

Sections 55 to 67 as listed in Attachment A, are added to the Body of the Agreement.

**10.** Additional Exhibits added to the Body of the Agreement

Exhibit D (Electronic Payment and Website Ordering), Exhibit E1 (Contractor's Employee Acknowledgement and Confidentiality Agreement), and Exhibit E2 (Contractor's Non-Employee Acknowledgment and Confidentiality Agreement) are added to the Body of the Agreement.

Except as expressly provided in this Amendment Number 15, all other provisions, and conditions of the Agreement shall remain the same and in full force and effect.

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

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment Number Fifteen to be executed on its behalf by its duly authorized officers, effective upon the Board's approval.

THE COUNTY OF LOS ANGELES

By:_____
Mayor, County of Los Angeles

ATTEST:
SACHI A. HAMAI
Executive Officer/Clerk
Board of Supervisors

By: _____
Deputy

COMPASS GROUP, USA,
CANTEEN CORPORATION

By:_____
Mike Fortunato

Title: President of Canteen Correctional Services

Date _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: _____
Gary Gross
Principal Deputy County Counsel

Date 8/30/06

## COUNTY OF LOS ANGELES SHERIFF'S DEPARTMENT

## ATTACHMENT A OF AMENDMENT NUMBER 15 TO AGREEMENT NUMBER 70912 BETWEEN COMPASS GROUP, USA, CANTEEN CORPORATION AND THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT FOR COMMISSARY SERVICES TO INMATES

**ADDTITIONAL SECTIONS ADDED TO THE BODY OF THE AGREEMENT**

### 55 APPLICABLE DOCUMENTS

55.1 Agreement

The base document adopted July 29, 1997, along with Exhibits A through E, any schedules attached hereto or thereto, and any Change Order or amendment from time to time hereto or thereto collectively constitute and throughout and hereinafter are referred to as the "Agreement." This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement.

55.2 Interpretation

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, Subtask, Deliverable, goods, service, or other Work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to the base document, and then to the Exhibits and any attachments thereto and any Change Order or amendment from time to time hereto or thereto, according to the following priority:

55.2.1 Amendment No. 15, including each of its Attachments and Exhibits

55.2.2 Exhibit A - Statement of Work

55.2.3 Exhibit C - Contractor's EEO Certification

55.2.4 Amendments No. 1 through 14 in reverse-chronological order

55.2.5 Change Notices 1 through 12 in reverse-chronological order

### 56. ELECTRONIC PAYMENT AND WEBSITE ORDERING

Contractor may permit third parties, such as family members of inmates, to order commissary items for individual inmates using a Card (as defined in Exhibit D

(Electronic Payment and Website Ordering). Contractor shall comply with all of the requirements stated in Exhibit D (Electronic Payment and Website Ordering).

## 57 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 Contracts, the COUNTY reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the CONTRACTOR under this Contract shall also be reduced correspondingly. The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all of the services set forth in this Contract.

## 58 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

58.1 Jury Service Program:
This Contract is subject to the provisions of the COUNTY's ordinance entitled CONTRACTOR Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles COUNTY Code.

58.2 Written Employee Jury Service Policy.

Unless the CONTRACTOR has demonstrated to the COUNTY's satisfaction either that the CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the COUNTY Code) or that the CONTRACTOR qualifies for an exception to the Jury Service Program (Section 2.203.070 of the COUNTY Code), the 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.
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 the 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 the CONTRACTOR uses any Subcontractor to perform services for the COUNTY under the Contract, the Subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the CONTRACTOR shall immediately notify the COUNTY if the CONTRACTOR at any time either comes within the Jury Service Program's definition of "CONTRACTOR" or if the CONTRACTOR no longer qualifies for an exception to the Jury Service Program. In either event, the CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that the CONTRACTOR demonstrate to the COUNTY's satisfaction that the CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "CONTRACTOR" and/or that the CONTRACTOR continues to qualify for an exception to the Program.

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

## 59 CONTRACTOR RESPONSIBILITY AND DEBARMENT

59.1 Responsible CONTRACTOR

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

59.2 Chapter 2.202 of the COUNTY Code

The CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the COUNTY Code, if the COUNTY acquires information concerning the

performance of the CONTRACTOR on this or other contracts which indicates that the CONTRACTOR is not responsible, the COUNTY may, in addition to other remedies provided in the Contract, debar the CONTRACTOR from bidding or proposing on, or being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the CONTRACTOR may have with the COUNTY.

59.3 Non-responsible CONTRACTOR

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

59.4 Contractor Hearing Board

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

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

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

4. If a CONTRACTOR has been debarred for a period longer than five (5) years, that CONTRACTOR may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.

5. The CONTRACTOR Hearing Board will consider a request for review of a debarment determination only where (1) the CONTRACTOR has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) 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.

6. 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.

59.5 Subcontractors of CONTRACTOR

These terms shall also apply to Subcontractors of COUNTY Contractors.

## 60 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.

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

61.1 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 the COUNTY and its taxpayers.

61.2 As required by the COUNTY's Child Support Compliance Program (COUNTY Code Chapter 2.200) and without limiting the CONTRACTOR's duty under this Contract to comply with all applicable provisions of law, the CONTRACTOR warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

## 62 COUNTY'S QUALITY ASSURANCE PLAN

The COUNTY or its agent will evaluate the CONTRACTOR's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the CONTRACTOR's compliance with all Contract terms and conditions and performance standards. CONTRACTOR deficiencies which the COUNTY determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected 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 Contract or impose other penalties as specified in this Contract.

## 63 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.

## 64 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.

## 65 RECYCLED BOND PAPER

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

## 66 TERMINATION FOR IMPROPER CONSIDERATION

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

66.2 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.

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

## 67 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

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

# ELECTRONIC PAYMENT AND WEBSITE ORDERING

Contractor may provide the ability for third parties to order items for individual inmates though Contractor's website. The requirements stated in this Exhibit D are in addition to all goods and services Contractor is required to provide as stated elsewhere in the Agreement. Contractor's website order process shall conform to all of the following Security and Reporting Standards:

## 1.0 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 (whether in singular or plural) shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

1.1 **Application:** The general software applications, together with all Source Code and Related Documentation, from time to time implemented by or on behalf of Contractor which acts as end-user accessed, front-end website and interface to Layer 2 and Layer 3 for purposes of website ordering of items for County inmates.

1.2 **Association Rules:** The bylaws, rules and regulations of the Associations, as they exist from time to time.

1.3 **Associations:** Any entity formed to administer and promote the use of Cards, including, without limitation, Visa U.S.A. Inc. and MasterCard International, Incorporated, which from time to time promulgate the Association Rules.

1.4 **Authorization:** The approval, by or on behalf of the Card Issuer, of Settlement of a Transaction for the Sheriff's Department

1.5 **Business Day:** With regard to the goods and services indicated in this Exhibit D, twenty-four (24) hours per day, seven (7) days per week, unless otherwise expressly noted in this Exhibit D.

1.6 **Card:** The plastic card or other evidence of credit or debit account and account number, issued by a Card Issuer to the Cardholder, either of which the Contractor accepts from a Cardholder as payment for the purchase price for a sale of goods or services.

1.7 **Card Issuer:** Any financial institution, which is a member bank of the Association or its agents, American Express and/or Discover.

1.8 **Cardholder:** The person or entity issued a Card and a corresponding account and account number by a Card Issuer and which person or entity is entitled to use the Card.

1.9 **County Data:** Without limiting any provision in the body of the Agreement, information and other data relating to Transactions and all other information or other data provided by an end user during the process of ordering items for County inmates, irrespective of whether such information or other data is collected or retained by or on behalf of Contractor.

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

1.11 **Department/Merchant:** Used interchangeably, the Sheriff's Department

1.12 **Merchant Commerce System Layer/Storefront (Layer 1):** Composed of e-commerce applications, databases, and the merchant integration plugs required by Layer 2. Layer 1 equips the merchant integration plug to encrypt and send payment details to the Layer 2. Layer 1 includes the Applications.

1.13 **Payment Gateway Layer (Layer 2):** Facilitates a payment channel between Layer 1 and Layer 3. Collects Cardholder's information and account information, transmits the details to a Layer 3, interprets the response sent back from the processor, logs Transaction details, and passes it to the merchant application for completion of the Transaction. This layer contains several important components including, Application Payment Interface (API), payment server, Transaction database.

1.14 **Payment Processor (Layer 3):** Provides the connectivity to the Card Issuers, Card Associations and financial institutions for authorization, processing, and settlement of Card Transactions. Layer 3 routes the card authorization request to the Card Issuer. The Card Issuer confirms the Cardholder information and determines his available credit. An approval or decline message is sent back to Layer 3, and is returned to the Merchant.

1.15 **Related Documentation:** All written and electronic publications relating to the Applications, such as reference, user, installation, systems administrator and technical guides, delivered, or otherwise made available by or on behalf of Contractor to County hereunder.

1.16 **Services:** Any and all installation, implementation, and ongoing operation, maintenance and support services related to Layer 1, Layer 2, and/or Layer 3 Application services and other services performed by or on behalf of Contractor pursuant to this Agreement.

1.17 **Settle; Settlement:** For each Transaction, the transfer of funds by or on behalf of Contractor in settlement of the Transaction value between the Contractor on behalf of the Department and the Association and/or Card Issuer, via federal funds wire or automated clearing house transfer to the bank account designed by the County Treasurer-Tax Collector.

1.18 **Source Code:** The programming code (in human readable form) for the Applications, including, without limitation, all new releases, updates, modifications, enhancements, corrections, patches and improvements, together with all Related Documentation and other proprietary information related to such programming code.

1.19 **Transaction:** With respect to each payment of the purchase price for a sale of goods or services, by a Cardholder to Contractor on behalf of the Department, a collective reference to all steps necessary to obtain Settlement of such payment via Layer 1, including, without limitation (i) the capture of all necessary payment and Card and/or Cardholder Information, (ii) the transmission of such information to the applicable Card payment processor and Card Issuer, (iii) the obtainment of an Authorization for such payment and (iv) the cash Settlement of such payment.

## 2.0 SECURITY STANDARDS

2.1 Contractor shall maintain production Secured File Transfer Protocol (SFTP) system uptime 99.9% of each Business Day.

2.2 For each Application used by Contractor to provide Services hereunder, Contractor shall at its own expense, conduct an Application security risk assessment and shall prepare a written report of such assessment that includes the written code, techniques used and identification of any potential vulnerabilities. To the extent that the Services are provided by a third party, Contractor may submit reports authored by the third party as long as the reports comply with all applicable requirements for reports and audits stated in this Exhibit D. Contractor shall deliver the report to County within 30 Business Days of approval of Amendment No. 15 by the County. Contractor will provide quarterly security assessments and prepare a written report of such assessment that includes the written

code, techniques used and identification of any potential vulnerability. Additionally, in connection with each security assessment described above, Contractor shall provide County a letter certifying that each Application is Cardholder Information Security Program ("CISP") and/or Payment Card Industry ("PCI) compliant at the time the assessment report is provided to the County.

2.3 Contractor shall maintain File Transfer Protocol (FTP) file encryption of using 3- Data Entry Standard (DES)/128bit keys. Connections to processors must minimally use Secured Socket Layer (SSL)-128 bit or triple DES encryption for transition of all data.

2.4 Contractor shall use secure FTP (SFTP) transmission for all data exchange between County and Contractor.

2.5 Contractor shall use data encryption of stored data and other encrypted data of at least 128-bit triple DES.

2.6 Contractor shall maintain an active, not self-signed, digital certificate for every Application.

2.7 Contractor shall use and require use of Secure Socket Layer (SSL), of at least 128-bit for all Applications. Contractor shall maintain SSL certificate for all Applications. Should SSL certificate expire, Contractor shall disable access to Application during the cure period until said Application SSL certificate is re-obtained and cure is complete.

2.8 All Applications shall validate end-user browser to insure support of Secure Socket Layer (SSL) of at least 128-bit SSL encryption, if not, Application shall show directed error message to end-user.

2.9 Contractor shall encrypt all stored County data.

2.10 At County's request and expense, Contractor shall use a licensed, bonded and insured carrier service that specializes in data transport to transport all County Data from live to archive. Within 5 days of transport, Contractor shall provide County copies of carrier's service information and proof of transport.

2.11 Contractor must provide written security environment information for each new archive location within 1 month of securing location, if storing County Data at said location.

2.12 Contractor must store County archived data in a separate storage media from other customers.

2.13 Contractor shall comply with all security standards and guidelines that may be published from time to time by any Card Issuer or any Association, including, without limitation, the Visa U.S.A. CISP, PCI and all such standards and guidelines, collectively "Security Guidelines"). Contractor additionally shall comply with the Association Rules and Card processor requirements in each case, as from time to time in effect. Contractor shall inform County within 2 Business Days of rule and/or rule change to insure County's continued compliance with any Association Rules, Security Guidelines and/ or Card Issuer rule changes.

2.14 Contractor shall process full and partial refunds/card credit, retrieval requests, chargebacks, and refunds within the guidelines and timelines required by the Association Rules.

2.15 Contractor shall utilize procedures for determining that each end user is the authorized Cardholder, which procedures meet or exceed industry standards, including, without limitation, those standards promulgated by Card Issuers and Associations.

2.16 Contractor shall comply with all County policies and standards for websites, including but not limited to County Board of Supervisors Policy 6.030 (County Website Advertising and Hotlink Policy).

2.17 Without limiting any other provision of this Agreement, Contractor shall maintain the confidentiality of the County Data in accordance with Paragraph 38, (Confidentiality) of the body of this Agreement, as amended by Amendment 15. In addition, without limiting any other provision of this Agreement, Contractor shall use the County Data solely for the purpose of processing Transactions.

## 3.0 REPORTING STANDARDS

3.1 All Contractor authored reports delivered by Contractor under this Agreement shall be accompanied by a written certification from an authorized officer of Contractor that such report is true and accurate. All third party authored audits and other reports delivered by Contractor under this Agreement shall be accompanied by a written certification of an authorized officer of Contractor that such audit or other report is a true and accurate copy of such 3rd party audit or other report as originally delivered to Contractor by such 3rd party.

3.2 Contractor shall undergo no less than two (2) annual external audits to be conducted by reputable third party audit company/companies and one of which must illustrate annual PCI compliance. Contractor shall then

provide County a letter no later than 30 days after receipt of audit findings, certifying as to the date of such findings and as to whether it passed or failed, as appropriate, audit, internal or third party, including non-County client required audits, hired audit/testing vendors and VISA/MC required audits.

3.3 Contractor shall backup County Data regularly based upon a mutually agreed upon interval to maintain system recoverability. Such mutually agreed upon interval shall be established in writing between Contractor and the Sheriff's Department.

3.4 As regular system maintenance (e.g., Microsoft patches, anti-viral protection, etc.) and Application-level modifications are performed, in order to maintain and validate appropriate security levels after these modifications occur, the Contractor shall perform a security assessment, at its own expense, and provide County a letter to the effect that the assessment was completed and passed security requirements, including but not limited to, CISP and PCI. Said letter shall be provided within 5 Business Days of assessment completion. The assessment will address potential vulnerabilities and risks that may exist in the Application prior to or after the performance of the aforementioned maintenance activities and the annual PCI security assessment.

3.5 Contractor shall report to County in writing any security incident (defined as a breach of security or security interest) within one (1) hour of identification or notification of incident.

3.6 Contractor shall make security incident reports and assessments for all incidents that may potentially affect County. An incident is identified based on criticality, major or minor incident: Major notification within two (2) hours, minor notification within twelve (12) hours.

3.7 Contractor shall store archived data for at least 7 years. At end of such time Contractor, at County's sole discretion and as permissible by Card Issuer, Association and NACHA rules, shall return or destroy said data.

3.8 Contractor shall make live and archived data available to County upon 10 Business Days of County request for such data on mutually agreed upon media.

3.9 Contractor shall provide County written monthly, quarterly or other County requested, as appropriate, self monitoring reports required for monitoring purposes of Contractor's compliance with the Security and Reporting Requirements set forth in this Exhibit D.

3.10 Contractor shall provide reports which truly and accurately reflect the events reported therein, including, containing no data loss or incorrect sums.

3.11 Contractor to provide standard daily, monthly, annual, or variable date range reports to enable the County to research and/or balance Transactions. Contractor shall also provide customizable transaction history detail reports to meet County requirements within the parameters of the Contractor's online reporting tool. In no event shall Contractor provide Card numbers or information regarding the County's designated bank account number(s) in any report or database accessible to County users. If requested by County, Contractor shall truncate Card numbers and Merchant account numbers appearing on all Contractor provided reports and County accessible reports through Contractor's reporting tool

3.12 Upon request, Contractor shall create customer payment remittance reports, for archived data, based on Contractor's standard secure formats. For live data, Contractor's system shall have the ability to allow County to produce industry standard format reports (such as NACHA, etc.) within 10 days of such request. Said reports shall not cause County or Contractor to jeopardize PCI certification or cause security risk.

3.13 Contractor's reporting tool shall have the functionality to create monthly reports that contain daily information broken-down by every Transaction type, including, sales, refunds, voids and chargeback amounts, with a breakdown of the discount fees by Card Issuer.

3.14 Within two (2) days of Contractor's receipt of change/violation, Contractor shall notify County of any County violation of any Association Rule, Security Guideline and/or Card processor requirement immediately upon a responsible officer of Contractor becoming aware thereof (or should have become aware thereof upon due inquiry).

3.15 Contractor shall provide County with their Originating Depository Financial Institution (ODFI) name(s), ODFI's Transit Routing Number, and Company Identification Number. (County will use the information to verify ACH Credits and Debits originated to County's bank account(s).) Any changes to the ODFI information must be provided to County 30 days prior to the change.

# CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

_____
CONTRACTOR NAME

Contract No. _____

Employee Name _____

## GENERAL INFORMATION:

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

## EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

## CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer _____

Contractor Name _____ Contract No. _____

Employee Name_____

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

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

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

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

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

# CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

_____
CONTRACTOR NAME

Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer _____

Contractor Name _____ Contract No._____

Non-Employee Name _____

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

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

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

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

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____