County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

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

PATRICIA S. PLOEHN, LCSW
Director

Board of Supervisors
GLORIA MOLINA
First District
Mark Ridley-Thomas
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

December 2, 2008

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

Dear Supervisors:

REQUEST TO APPROVE FOR CONSENT TO THE ASSIGNMENT AND DELEGATION OF RIGHTS OF THREE CONTRACTS FROM EASTFIELD MING QUONG, INC. (EMQ) TO FAMILIESFIRST, INC. (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT: Assignment and delegation of rights and duties of three contracts from Eastfield Ming Quong, Inc. (EMQ) to FamiliesFirst, Inc. for Foster Family Agency Foster Care Services (FFA), Intensive Treatment Foster Care-Multidimensional Treatment Foster Care Services (ITFC-MTFC) and Wraparound Approach Services (Wraparound).

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

1. Approve Amendment Number One (Attachment A), the assignment and delegation of all rights and duties of EMQ to FamiliesFirst, Inc., under the existing FFA contract, to be effective January 1, 2009. There is no additional fiscal impact.

2. Approve Amendment Number One (Attachment B), the assignment and delegation of all rights and duties of EMQ to FamiliesFirst, Inc., under the existing ITFC-MTFC contract, to be effective January 1, 2009. There is no additional fiscal impact.

3. Approve Amendment Number Two (Attachment C), the assignment and delegation of all rights and duties of EMQ to FamiliesFirst, Inc., under the existing Wraparound contract, to be effective January 1, 2009. There is no additional fiscal impact.

4. Delegate authority to the Director of the Department of Children and Family Services (DCFS) to execute the FFA amendment (Attachment A), acknowledging

the assignment and delegation of all rights and duties from EMQ to FamiliesFirst, Inc.

5. Delegate authority to the Director of DCFS to execute the ITFC-MTFC amendment (Attachment B), acknowledging the assignment and delegation of all rights and duties from EMQ to FamiliesFirst, Inc.

6. Delegate authority to the Director of DCFS, Director of the Department of Mental Health (DMH), and the Chief Probation Officer of the Probation Department (Probation) to execute the Wraparound amendment (Attachment C), acknowledging the assignment and delegation of all rights and duties from EMQ to FamiliesFirst, Inc.

7. Instruct the Director of DCFS to notify your Board and the Chief Executive Office (CEO) in writing within ten (10) business days of executing the FFA-FC Amendment Number One, ITFC-MTFC Amendment Number One and the Wraparound Amendment Number Two.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommendations is to request your Board's consent to the assignment and delegation of the FFA, ITFC-MTFC and Wraparound contracts currently with EMQ to FamiliesFirst, Inc., to be effective January 1, 2009. The Wraparound contract serves three departments, DCFS, DMH and Probation and therefore, all three departments are making a joint recommendation to assign and delegate the Wraparound contract.

FamiliesFirst, Inc. and EMQ have jointly deemed that it is in their best interest, and in the best interest of their clients and the community served that they pursue a merger. All documents, responsibilities, and obligations will be transferred from EMQ to FamiliesFirst, Inc. Upon the completion of the merger, FamiliesFirst, Inc. shall be the surviving entity and EMQ shall be the disappearing entity. Subsequent to the merger, FamiliesFirst, Inc. shall be subject to all of EMQ debts, liabilities, and trust obligations in the same manner as EMQ had incurred them. The County consents to the merger with the understanding that the quantity and quality of services previously provided separately by EMQ will not be diminished. The execution of the Agreement of Merger between EMQ and FamiliesFirst, Inc. is anticipated to be January 1, 2009.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal #5, Children and Families Well-Being. The recommended actions will enable FamiliesFirst, Inc. to continue providing effective and efficient services to children and families in Los Angeles County.

FISCAL IMPACT/FINANCING

There is no additional fiscal impact associated with these FFA, ITFC-MTFC and Wraparound assignment and delegation amendments. Funding has already been included in the Fiscal Year 2008-2009 Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

EMQ currently has three separate contracts, one providing FFA services through October 31, 2009, with options to extend for four additional one-year periods, one providing ITFC-MTFC services through November 30, 2008, with an option to extend for an additional one-year period, and one providing Wraparound services through April 30, 2009. These three contracts are to be assigned and delegated from EMQ to FamiliesFirst, Inc. effective January 1, 2009. Although the corporate headquarters of FamiliesFirst, Inc. is located in Davis, California, it will operate the EMQ sites in Los Angeles County and provide the same services as originally provided by EMQ.

The Boards of Directors of FamiliesFirst, Inc. and EMQ will combine to become one Board of Directors, increasing the number of directors to up to 50 directors. The two agencies believe this merger will result in a number of benefits to their collective employees as well as to the clients they serve. The anticipated benefits include a more complete continuum of care, enhanced program development, long-term economic benefits, broadened geographic scope, increased employment opportunities, and increased strategic options through combined programs and facilities.

Foster family agencies recruit, certify, train, provide professional support to foster parents, and find temporary or permanent homes for children who require more structure than that provided in a family home. Both FamiliesFirst, Inc. and EMQ are currently operating FFA programs. Upon the execution of the merger, FamiliesFirst, Inc. will operate the FFA program in Los Angeles County at EMQ's existing sites in addition to the FamiliesFirst, Inc. current sites.

The ITFC-MTFC contract provides services to emotionally/behaviorally disturbed children or adolescents, 0-17 years of age who are in need of placement in a temporary or permanent family setting as an alternative to a group home setting.

The Wraparound contract provides a family-centered, strengths-based, needs driven planning and service delivery process. It advocates for a family-professional partnership to ensure family voice, choice and ownership of intervention strategies to normalized and inclusive community options, activities and opportunities. It includes a commitment to create and provide highly individualized services and to persevere until desirable outcomes for the children and their families are achieved.

DCFS has evaluated FamiliesFirst, Inc.'s fiscal viability and deemed the agency to be responsible. FamiliesFirst, Inc. is in compliance with all Board and CEO requirements.

Probation and DMH had reviewed and approved the Board letter and the amendments. County Counsel and the CEO reviewed this Board letter and the three amendments. County Counsel approved the amendments as to form.

CONTRACTING PROCESS

The amendments to the contracts do not require any additional contracting process. FamiliesFirst, Inc. is in compliance with FFA, ITFC-MTFC and Wraparound contract requirements. DCFS is in compliance with the Board's Policy and Guidelines on Contractor Mergers/Acquisition, adopted on December 13, 2005, in the review and analysis of the merger and its impact on services provided to the County.

IMPACT ON CURRENT SERVICES

The recommended actions will allow for FFA service delivery to foster parents, ITFC-MTFC service delivery to emotionally/behaviorally disturbed children and Wraparound services to children and their families without interruption. The merger of the two agencies will not present a noticeable change in services since staff and employees from EMQ will be providing services as employees of FamiliesFirst, Inc.

CONCLUSION

Upon approval by the Board, it is requested that the Executive Officer/Clerk of the Board send an adopted stamped copy of this Board Letter and all attachments to:

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

2. Office of County Counsel
   Attention: Diane Cachenaut, Paralegal
   648 Kenneth Hahn Hall of Administration
   500 West Temple, Room 602
   Los Angeles, CA 90012

3. Probation Department
   Contract and Grants
   Attention: Yolanda Young, Director
   9150 East Imperial Highway
   Downey, CA 90242

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

Respectfully submitted,

PATRICIA S. PLOEHN, LCSW, Director
Department of Children and Family Services

DR. MARVIN J. SOUTHARD, Director
Department of Mental Health

ROBERT B. TAYLOR, Chief Probation Officer
Probation Department

PSP:SK:CM
WC:ng

Attachments (3)

c: Chief Executive Officer
County Counsel

AMENDMENT NUMBER ONE

TO

FOSTER FAMILY AGENCY
FOSTER CARE SERVICES CONTRACT

CONTRACT NUMBER _____

WITH

EASTFIELD MING QUONG, INC.

Attachment A

AMENDMENT NUMBER ONE
TO FOSTER FAMILY AGENCY FOSTER CARE SERVICES
CONTRACT NUMBER _____

This Amendment Number One to the Foster Family Agency Foster Care Services Contract Number _____ (CONTRACT) by and between County of Los Angeles (COUNTY) and Eastfield Ming Quong, Inc. (EMQ) is made and entered into at Los Angeles, California on this _____day of_____, 2008.

WHEREAS, COUNTY and EMQ entered into a written CONTRACT for Foster Family Agency Foster Care Services on November 1, 2008, as Contract Number _____; adopted by the Board of Supervisors on _____; and

WHEREAS, Part II, STANDARD TERMS AND CONDITIONS, Section 2.0, ASSIGNMENT AND DELEGATION of the CONTRACT prohibits EMQ from delegating its duties or assigning its rights hereunder without prior written consent of the Los Angeles County Board of Supervisors; and

WHEREAS, Part II, STANDARD TERMS AND CONDITIONS, Section 5.0, CHANGES AND AMENDMENTS of the CONTRACT provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, it is the intent of the parties hereto to amend the CONTRACT to make the changes described hereafter; and

WHEREAS, COUNTY has been informed that FamiliesFirst, Inc. will merge with EMQ and will acquire the assets and liabilities of the EMQ, including those under the EMQ CONTRACT; and

WHEREAS, COUNTY has reviewed the corporate documents submitted by FamiliesFirst, Inc. and other data, and has confirmed that FamiliesFirst, Inc. can effectively provide the services and assume the duties set forth in the EMQ CONTRACT; and

WHEREAS, all other terms, conditions, responsibilities, and liabilities remain unchanged and shall remain in full force and effect.

NOW THEREFORE, in consideration of the forgoing and mutual consents herein the CONTRACT is amended as follows:

1. Effective January 1, 2009, COUNTY acknowledges the change of corporate ownership from EMQ to FamiliesFirst, Inc. Accordingly, the CONTRACT formerly between COUNTY and EMQ, shall be between COUNTY and FamiliesFirst, Inc.

2. All contractor rights and responsibilities under the CONTRACT are assigned and delegated by EMQ to FamiliesFirst, Inc., effective January 1, 2009, by virtue of the Agreement of Merger between EMQ and FamiliesFirst, Inc.

3. FamiliesFirst, Inc. has assumed all responsibilities of EMQ by virtue of the above transfer.

4. FamiliesFirst, Inc. is in a position to fully perform all obligations that may exist under the EMQ CONTRACT.

5. FamiliesFirst, Inc. agrees to be bound by and to perform under the EMQ CONTRACT and any prior contracts with COUNTY in accordance with the conditions contained in the EMQ CONTRACT and any prior contracts with COUNTY.

6. FamiliesFirst, Inc. assumes all obligation and liabilities of, and all claims against EMQ, including but not limited to, those under the EMQ CONTRACT, and any prior contracts, as if FamiliesFirst, Inc. were the original party to the EMQ CONTRACT.

7. FamiliesFirst, Inc. ratifies all previous actions taken by EMQ under the EMQ CONTRACT, and any prior contracts, with the same force and effect as if the action had been taken by FamiliesFirst, Inc.

8. COUNTY recognizes FamiliesFirst, Inc. as EMQ's successor in interest in and to the EMQ CONTRACT. FamiliesFirst, Inc. by this Amendment Number One becomes entitled to all rights, title, and interests of EMQ in and to the EMQ CONTRACT as if FamiliesFirst, Inc. were the original party to the EMQ CONTRACT. Following the effective date of this CONTRACT, the term "CONTRACTOR" as used in the EMQ CONTRACT shall refer to FamiliesFirst, Inc.

9. All payments and reimbursements previously made by COUNTY to EMQ, and all other previous actions taken by COUNTY under the EMQ CONTRACT, shall be considered to have discharged those parts of COUNTY's obligation under the EMQ CONTRACT. All payments and reimbursements made by COUNTY after the date of this amendment in the name of or to FamiliesFirst, Inc. shall have the same force and effect as if it was made to EMQ, and shall constitute a complete discharge of the COUNTY's obligation under the EMQ CONTRACT, to the extent of the amounts paid or reimbursed.

10. Effective January 1, 2009, any payments due under the EMQ CONTRACT from COUNTY for services which have not yet been paid shall be paid to FamiliesFirst, Inc.

11. FamiliesFirst, Inc. will assume responsibility for any and all audit exceptions applied at any time against EMQ through any of EMQ's contracts with COUNTY, or any department thereof. FamiliesFirst, Inc. will assume responsibility for the

audit exceptions whether assessed by Federal, State, or County audit(s). Audit exceptions may arise and become payable before and after the effective date of the merger and the cessation of existence of EMQ. The parties agree that the applicable review and dispute resolution procedures under the CONTRACT at issue shall apply.

12. All inadvertent future references to EMQ under this CONTRACT, shall be deemed references to FamiliesFirst, Inc.

13. Except as expressly provided in this Amendment Number One, nothing in it shall be constructed as a waiver of any rights of COUNTY against EMQ.

14. LIST OF EXHIBITS, Exhibit CC, Contractor's Administration, is attached and incorporated into the CONTRACT.

EXCEPT AS PROVIDED IN THIS AMENDMENT NUMBER ONE, ALL TERMS AND CONDITIONS SHALL REMAIN IN FULL FORCE AND EFFECT.

AMENDMENT NUMBER ONE
TO FOSTER FAMILY AGENCY FOSTER CARE SERVICES
CONTRACT NUMBER _____

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Amendment Number One to be subscribed on its behalf by the Director of the Department of Children and Family Services and the CONTRACTOR have subscribed the same through its authorized officers, as of the day, month and year first above written. The persons signing on behalf of the CONTRACTOR under penalty of perjury that he or she is authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

By _____
PATRICIA S. PLOEHN, LCSW
Director

EASTFIELD MING QUONG, INC.
CONTRACTOR-ASSIGNOR

By _____

Name _____

Title _____

By _____

Name _____

Title _____

95-1661667
Tax Identification Number

FAMILIESFIRST, INC.
CONTRACTOR ASSIGNEE

By _____

Name _____

Title _____

By _____

Name _____

Title _____

94-2295953
Tax Identification Number

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

BY: _____
Principal Deputy County Counsel

AMENDMENT NUMBER ONE

TO

INTENSIVE TREATMENT FOSTER CARE – MULTIDIMENSIONAL TREATMENT FOSTER CARE FOSTER FAMILY AGENCY

CONTRACT NUMBER 07-034-01

WITH

EASTFIELD MING QUONG, INC.

AMENDMENT NUMBER ONE TO
INTENSIVE TREATMENT FOSTER CARE –
MULTIDIMENSIONAL TREATMENT FOSTER CARE
FOSTER FAMILY AGENCY
CONTRACT NUMBER 07-034-01

This Amendment Number One to Intensive Treatment Foster Care – Multidimensional Treatment Foster Care Foster Family Agency (ITFC-MTFC FFA) Contract Number 07-034-01 (CONTRACT) between the County of Los Angeles (COUNTY), and Eastfield Ming Quong, Inc. (EMQ), is made and entered into at Los Angeles, California on this _____ day of _____ 2008.

WHEREAS, COUNTY AND EMQ entered into a written CONTRACT for Intensive Treatment Foster Care – Multidimensional Treatment Foster Care Foster Family Agency on January 2, 2008, as Contract Number 07-034-01 adopted by the Board of Supervisors on December 4, 2007; and

WHEREAS, Section 5.0, CHANGES AND AMENDMENTS of the CONTRACT provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, Section 2.0, ASSIGNMENT AND DELEGATION of the CONTRACT prohibits EMQ from delegating its duties or assigning its rights hereunder without prior written consent of the Los Angeles County Board of Supervisors; and

WHEREAS it is the intent of the parties hereto to amend the CONTRACT to make the changes described hereinafter; and

WHEREAS, COUNTY has been informed that FamiliesFirst, Inc. will merge with EMQ and will acquire the assets and liabilities of EMQ, including those under the EMQ CONTRACT; and

WHEREAS, COUNTY has reviewed the corporate documents submitted by FamiliesFirst, Inc. and other data, and has confirmed that FamiliesFirst, Inc. can effectively provide the services and assume the duties set forth in the EMQ CONTRACT; and

WHEREAS all other terms, conditions, responsibilities, and liabilities remain unchanged and shall remain in full force and effect; and

NOW THEREFORE, in consideration of the foregoing and mutual consents herein, the CONTRACT is amended as follows:

1. Effective January 1, 2009, COUNTY acknowledges the change of corporate ownership from EMQ to FamiliesFirst, Inc. Accordingly, the CONTRACT formerly between COUNTY and EMQ shall be between COUNTY and FamiliesFirst, Inc.

2. All contractor rights and responsibilities under the CONTRACT are assigned and delegated by EMQ to FamiliesFirst, Inc. effective January 1, 2009, by virtue of the Agreement of Merger between EMQ and FamiliesFirst, Inc.

3. FamiliesFirst, Inc. has assumed all obligations and liabilities of EMQ by virtue of the above transfer.

4. FamiliesFirst, Inc. is in a position to fully perform all obligations that may exist under the EMQ CONTRACT.

5. FamiliesFirst, Inc. agrees to be bound by and to perform under the EMQ CONTRACT and any prior contracts with COUNTY, in accordance with the conditions contained in the EMQ CONTRACT and any prior contracts with the COUNTY.

6. FamiliesFirst, Inc. assumes all obligations and liabilities of, and all claims against EMQ, including but not limited to, those under the EMQ CONTRACT, and any prior contracts, as if FamiliesFirst, Inc. were the original party to the EMQ CONTRACT.

7. FamiliesFirst, Inc. ratifies all previous actions taken by EMQ under the EMQ CONTRACT, and any prior contracts with the same force and effect as if the action had been taken by FamiiesFirst, Inc.

8. COUNTY recognizes FamiliesFirst, Inc. as EMQ's successor in interest in and to the EMQ CONTRACT. FamiliesFirst, Inc. by this Amendment Number One becomes entitled to all rights, titles, and interests of EMQ in and to the EMQ CONTRACT as if FamiliesFirst, Inc. were the original party to the EMQ CONTRACT. Following the effective date of this CONTRACT, the term "CONTRACTOR", as used in the EMQ CONTRACT shall refer to FamiliesFirst, Inc.

9. All payments and reimbursements previously made by COUNTY to EMQ, and all other previous actions taken by COUNTY under the EMQ CONTRACT, shall be considered to have discharged those parts of COUNTY's obligation under the EMQ CONTRACT. All payments and reimbursements made by COUNTY after the date of this Amendment in the name of or to FamiliesFirst, Inc. shall have the same force and effect as if made to EMQ, and shall constitute a complete discharge of COUNTY's obligation under the EMQ CONTRACT, to the extent of the amounts paid or reimbursed.

10. Effective January 1, 2009, any payments due under the EMQ CONTRACT from COUNTY for services which have not yet been paid shall be paid to FamiliesFirst, Inc.

11. FamiliesFirst, Inc. will assume responsibility for any and all audit exceptions applied at any time against EMQ through any of EMQ's contracts with COUNTY, or any department thereof. FamiliesFirst, Inc. will assume responsibility for the

audit exceptions whether assessed by Federal, State, or County audit(s). Audit exceptions many arise and become payable before and after the effective date of the merger and the cessation of existence of EMQ. The parties agree that the applicable review and dispute resolution procedures under the CONTRACT at issue shall apply.

12. All inadvertent future references to EMQ under this CONTRACT, shall be deemed references to FamiliesFirst, Inc.

13. Except as expressly provided in this Amendment Number One, nothing in it shall be construed as a waiver of any rights of COUNTY against EMQ.

14. PART I: UNIQUE TERMS AND CONDITIONS, Section 8.0, NOTICES, Subsection 8.1 is deleted in its entirety and replaced to read as follows:

8.1 Unless otherwise specifically provided in this CONTRACT, all notices to COUNTY shall be given in writing, sent by certified mail, return receipt requested, by enclosing the same in a sealed envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices sent to COUNTY shall be sent by certified mail, return receipt requested in duplicate addressed to the following:

Department of Children and Family Services
Contracts Administration
Attention: Contracts Administrator
425 Shatto Place, Room 400
Los Angeles, California 90020

Unless otherwise specifically provided in this CONTRACT, all notices to CONTRACTOR shall be given in writing, by enclosing the same in a sealed envelope addressed to the intended party and by depositing such envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices to CONTRACTOR shall be sent to CONTRACTOR as indicated on Exhibit CC-1, Contractor's

Administration, or such other person and/or location as may hereinafter be designated in writing by CONTRACTOR.

15. **EXHIBITS**, Revised Exhibit CC-1, Contractor's Administration, is attached and incorporated into the CONTRACT.

EXCEPT AS PROVIDED IN THIS AMENDMENT NUMBER ONE, ALL TERMS AND CONDITIONS SHALL REMAIN IN FULL FORCE AND EFFECT.

AMENDMENT NUMBER ONE TO
INTENSIVE TREATMENT FOSTER CARE –
MULTIDIMENSIONAL TREATMENT FOSTER CARE
FOSTER FAMILY AGENCY
CONTRACT NUMBER 07-034-01

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Amendment Number One to be subscribed on its behalf by the Director of the Department of Children and Family Services and the CONTRACTOR have subscribed and CONTRACTOR has caused this Amendment Number One to be subscribed on its behalf by its duly authorized officer(s) as of the day, month and year first above written. The person(s) signing on behalf of the CONTRACTOR warrants under penalty of perjury that he or she is authorized to bind the CONTRACTOR in this Amendment.

COUNTY OF LOS ANGELES

By _____
PATRICIA S. PLOEHN, LCSW, Director
Department of Children and Family Services

EASTFIELD MING QUONG, INC.
CONTRACTOR-ASSIGNOR

By _____

Name _____

Title _____

By _____

Name _____

Title _____

95-1661667
Tax Identification Number

FAMILIESFIRST, INC.
CONTRACTOR ASSIGNEE

By _____

Name _____

Title _____

By _____

Name _____

Title _____

94-2295953
Tax Identification Number

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

BY: _____
Principal Deputy County Counsel

AMENDMENT NUMBER TWO

TO

WRAPAROUND APPROACH SERVICES

CONTRACT NUMBER 4-011-13

WITH

EASTFIELD MING QUONG, INC.

AMENDMENT NUMBER TWO
TO WRAPAROUND APPROACH SERVICES
CONTRACT NUMBER 04-011-13

This Amendment Number Two to Wraparound Approach Services Contract Number 04-011-13 (CONTRACT) by and between County of Los Angeles (COUNTY) and Eastfield Ming Quong, Inc. (EMQ) is made and enter into at Los Angeles, California, this _____ day of _____, 2008.

WHEREAS, COUNTY and EMQ entered into a written CONTRACT on May 1, 2006; and

WHEREAS, Part II: STANDARD TERMS AND CONDITIONS, Section 7.0, CHANGES AND AMENDMENTS, Subsection 7.2 of the CONTRACT, provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties; and

WHEREAS, Part II: STANDARD TERMS AND CONDITIONS, Section 4.0, ASSIGNMENT BY CONTRACTOR, Subsection 4.1 prohibits EMQ from delegating its duties or assigning its rights hereunder without prior written consent of the Los Angeles County Board of Supervisor; and

WHEREAS, it is the intent of the parties hereto to amend the CONTRACT to make the changes described herein after; and

WHEREAS, COUNTY has been informed that on FamiliesFirst, Inc. will merge with EMQ and will acquire the assets and liabilities of EMQ, including those under the EMQ CONTRACT; and

WHEREAS, COUNTY has reviewed the corporate documents submitted by FamiliesFirst, Inc., and other data and has confirmed that FamiliesFirst, Inc. can effectively provide the services and assume the duties set forth in the EMQ CONTRACT; and

WHEREAS, all other terms, conditions, responsibilities, and liabilities remain unchanged and shall remain in full force and effect; and

NOW THEREFORE, in consideration of the forgoing and mutual consents herein, the CONTRACT is amended as follows:

1. Effective January 1, 2009, COUNTY acknowledges the change of corporate ownership from EMQ to FamiliesFirst, Inc. Accordingly, the CONTRACT formerly between COUNTY and EMQ shall be between COUNTY and FamiliesFirst, Inc.

2. All contractor rights and responsibilities under the CONTRACT are assigned and delegated by EMQ to FamiliesFirst, Inc. effective January 1, 2009, by virtue of the Agreement of Merger between EMQ and FamiliesFirst, Inc.

3. FamiliesFirst, Inc. has assumed all obligations and liabilities of EMQ by virtue of the above transfer.

4. FamiliesFirst, Inc. is in a position to fully perform all obligations that may exist under the EMQ CONTRACT.

5. FamiliesFirst, Inc. agrees to be bound by and to perform under the EMQ CONTRACT and any prior contracts with COUNTY, in accordance with the conditions contained in the CONTRACT and by any prior contracts with COUNTY.

6. FamiliesFirst, Inc. assumes all obligations and liabilities of, and all claims against EMQ, including but not limited to, those under the EMQ CONTRACT, and any prior contracts as if FamiliesFirst, Inc. were the original party to the EMQ CONTRACT.

7. FamiliesFirst, Inc. ratifies all previous actions taken by EMQ under the EMQ CONTRACT, and any prior contracts, with the same force and effect as if the action had been taken by FamiliesFirst, Inc.

8. COUNTY recognizes FamiliesFirst, Inc. as EMQ's successor in interest in and to the EMQ CONTRACT. FamiliesFirst, Inc. by this Amendment Number Two becomes entitled to all rights, titles, and interests of EMQ in and to the EMQ CONTRACT as if FamiliesFirst, Inc. were the original party to the EMQ CONTRACT. Following the effective date of this CONTRACT, the term "CONTRACTOR," as used in the EMQ CONTRACT shall refer to FamiliesFirst, Inc.

9. All payments and reimbursements previously made by COUNTY to EMQ, and all other previous actions taken by COUNTY under the EMQ CONTRACT, shall be considered to have discharged those parts of COUNTY's obligation under the EMQ CONTRACT. All payments and reimbursements made by COUNTY after the date of this Amendment in the name of or to FamiliesFirst, Inc. shall have the same force and effect as if made to EMQ, and shall constitute a complete discharge of COUNTY's obligation under the EMQ CONTRACT, to the extent of the amounts paid or reimbursed.

10. Effective January 1, 2009, any payments due under the EMQ CONTRACT from COUNTY for services which have not yet been paid shall be paid to FamiliesFirst, Inc.

11. FamiliesFirst, Inc. will assume responsibility for any and all audit exceptions applied at any time against EMQ through any of EMQ's contracts with COUNTY, or any department thereof. FamiliesFirst, Inc. will assume responsibility for the audit exceptions whether assessed by Federal, State, or County audit(s). Audit exceptions may arise and become payable before and after the effective date of the merger and the cessation of existence of EMQ. The parties agree that the applicable review and dispute resolution procedures under the CONTRACT at issue shall apply.

12. All inadvertent future references to EMQ, under this CONTRACT, shall be deemed references to FamiliesFirst, Inc.

13. Except as expressly provided in this Amendment Number Two, nothing in it shall be construed as a waiver of any rights of COUNTY against EMQ.

14. Part I: UNIQUE TERMS AND CONDITIONS, Section 8.0, NOTICES Subsection 8.1 is deleted in its entirety and replaced to read as follows:

8.0 NOTICES

8.1 Unless otherwise specifically provided in this CONTRACT, all notices to COUNTY shall be given in writing, sent by certified mail, return receipt requested, by enclosing the same in a sealed envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices sent to COUNTY shall be sent by certified mail, return receipt requested in duplicate addressed to the following:

Department of Children and Family Services
Contracts Administration
Attention: Contracts Administrator
425 Shatto Place, Room 400
Los Angeles, California 90020

Unless otherwise specifically provided in this CONTRACT, all notices to CONTRACTOR shall be given in writing by enclosing the same in a sealed envelope addressed to the intended party and by depositing such envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices sent to CONTRACTOR shall be sent to CONTRACTOR at:

FamiliesFirst, Inc.
2100 Fifth St.
Davis, California 95618
Attention: John Kniep,
Chief Financial Officer

Phone : _____

Fax: _____

Or such other person and/or location as may hereinafter be designated in writing by CONTRACTOR. Addresses may be changed by either party giving ten (10 days' prior written notice thereof of the other party.

15. EXHIBIT D, Form 1, Contractor's Administration, is attached and incorporated into the CONTRACT.

EXCEPT AS PROVIDED IN THIS AMENDMENT NUMBER TWO, ALL OTHER TERMS AND CONDITIONS OF CONTRACT SHALL REMAIN IN FULL FORCE AND EFFECT.

AMENDMENT NUMBER TWO
TO WRAPAROUND APPROACH SERVICES
CONTRACT NUMBER 04-011-13

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Amendment Number One to be subscribed on its behalf by the Directors of the Department of Children and Family Services and the Department of Mental Health, and the Chief Probation Officer of the Probation Department, and CONTRACTOR has caused this Amendment Number Two to be subscribed on its behalf by its duly authorized officer(s) as of the day, month and year first above written. The person(s) signing on behalf of CONTRACTOR warrants under penalty of perjury that he or she is authorized to bind CONTRACTOR.

COUNTY OF LOS ANGELES

By:

_____
Patricia S. Ploehn, LCSW, Director
Department of Children and Family Services

_____
Marvin J. Southard, DSW, Director
Department of Mental Health

_____
Robert Taylor, Chief Probation Officer
Probation Department

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

BY _____
Principal Deputy County Counsel

EASTFIELD MING QUONG, INC.
CONTRACTOR ASSIGNOR

By_____

Name _____

Title _____

By_____

Name _____

Title _____

Tax ID _____

FAMILIESFIRST, INC.
CONTRACTOR ASSIGNEE

By_____

Name _____

Title _____

By_____

Name _____

Title _____

Tax ID _____