



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

March 23, 2010

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:

COMMUTER BENEFIT PLAN ORDINANCE AND APPROVAL OF CONTRACT FOR THIRD-PARTY ADMINISTRATIVE SERVICES (ALL DISTRICTS - 3 VOTES)

SUBJECT

Recommendation to 1) implement a Commuter Benefit Plan allowing County employees to purchase public transit passes on a tax free basis as permitted by federal tax law, and 2) approve a contract with Fringe Benefits Management Company to perform third-party administrative services related to the Commuter Benefit Plan.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the Commuter Benefit Plan as set forth in the accompanying ordinance.
2. Approve and instruct the Chair to sign the attached contract with Fringe Benefits Management Company for a three-year term, effective upon approval by the Board of Supervisors, with provision for two (2) one-year renewal options at the discretion of the Chief Executive Officer.
3. Approve the accompanying ordinance amending Title 5 of the Los Angeles County Code to implement Recommendation 1 above.
4. Instruct the Auditor-Controller to make the payroll systems changes necessary to implement the recommendations contained herein.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
14 March 23, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

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Fourth District

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Fifth District

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these recommendations is to establish a tax-favored Commuter Benefit Plan (Plan) that will encourage County employees to use public transportation. The recommended Plan would be a qualified transportation benefit program under Section 132(f) of the Internal Revenue Code (IRC). Section 132(f) provides for pre-tax payroll deductions for public transit expenses, e.g., train or bus passes, commuting vouchers, and leased vanpools.

It is recommended that the Plan be implemented in conjunction with the new electronic human resources (eHR) payroll system. The eHR system will allow payroll deductions to be taken on the 30th payday of each month. This deduction date provides the shortest timeframe between the payroll deduction and receipt of transit purchases.

Fringe Benefits Management Company (FBMC) has been selected to be the third-party administrator (TPA) for the Plan and will be responsible for the daily administration of the Plan. They will provide services such as telephone or on-line enrollments through their website, processing transit agency purchases to participants; providing customer service; and mailing of transit purchases and commuting vouchers to the employee's home address.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Your Board's approval of the accompanying ordinance will further the County Strategic Plan Goal 1, Operational Effectiveness. Specifically, it will address the Fiscal Sustainability and Environmentally Responsible Practices strategies by promoting Green programs for the County with limited added costs.

FISCAL IMPACT/FINANCING

The Request for Proposal (RFP) for a TPA was initiated with the intent that the County would not incur any costs under this contract. Therefore, the direct costs of the Plan will be borne by participating employees via administrative fees paid to FBMC. The fee ranges from a high of \$4.40 to a low of \$3.40 per month for each participant, depending on the number of employees enrolled.

There are minor one-time setup costs that the County must incur. However, those costs will be offset over time by the savings in the Health Insurance Tax (HIT). The HIT is the Medicare payroll tax imposed on all employees hired since 1986. The County's portion is 1.45% of payroll, but "payroll" for this purpose is reduced by the amount participants spend on transit purchases under this program. Based on recent Ridesharing survey data, 3,620 employees are currently taking public transportation to work. A conservative estimate of 40% participation (1,450 employees) in the Plan would generate approximately \$2,300 of payroll tax savings per month.

After the RFP was distributed, it was determined that County policy requires sensitive demographic data files to be submitted by Virtual Private Network (VPN) tunnel connection. The Site-to-Site VPN gateways are designed to provide secure communications between Los Angeles County and its vendor/partner organizations. To send files electronically by VPN connection, FBMC must develop the systems programming to accommodate a VPN tunnel on their end. Although FBMC's proposal did not include an implementation fee, it did allow for customization charges specific to the County's contract to be incurred. Accordingly, FBMC estimates one-time VPN setup costs to be \$3,720 for systems programming and modifications.

FBMC will provide the County with PDF versions of enrollment materials and plan documents that can be distributed by e-mail at no additional cost. However, since not all County employees have access to e-mail messaging, a printed paycheck message will be inserted with employee paychecks to communicate the implementation of the Plan to all County employees. The estimated printing costs for the insert is approximately \$2,100 for 105,000 copies.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The FBMC contract will become effective immediately upon signature by the Chair of the Board. The contract contains all required Board, Chief Executive Office (CEO), and County Counsel provisions and has been approved as to form by County Counsel. The CEO's Risk Management Office has approved the insurance coverage, indemnification, and liability provisions included in the contract. We have consulted with the impacted employee organizations, the Coalition of County Unions and Service Employees International Union (SEIU) Local 721 regarding the Plan policies, provisions, and implementation, and have received no objections.

COMMUTER BENEFIT PLAN FEATURES

The goal of the Plan is to provide a tax-savings benefit to participating employees and to encourage the use of public transportation. The employee's eligible monthly commuting costs will be deducted on a pre-tax basis (up to IRC limits) before federal, State, and HIT taxes are calculated. The 2010 pre-tax limit for qualified transportation benefit programs is \$230 per month. This amount is indexed every year for cost-of-living adjustments and may be increased by the federal government each calendar year. Commuting costs that exceed IRC limits will be deducted from participating employees' paychecks on an after-tax basis.

The Plan will be available to all County employees and Superior Court employees who take the bus, Metrolink train, light rail Metro lines, or leased vanpools to work. Only expenses for public transit are eligible for coverage under the Plan. Qualified transportation expenses include commuting vouchers, train or bus passes, and vanpools. Expenses such as gasoline, mileage, and tolls are not eligible as pre-tax expenses.

This Plan is similar to other pre-tax flexible benefit or cafeteria plans where individual employees set aside funding to pay for specific authorized pre-tax expenses such as those related to health care or dependent care. However, the administrative rules for transportation expenses are less restrictive than those for flexible benefit or cafeteria plans. For example, employees may change the amount contributed each month and are not locked into a specified pre-tax dollar amount for a full calendar year. At the point of enrollment, employees have a choice to have recurring transit purchases setup in advance each month, or to enroll for one month at a time. If a recurring monthly pass is not necessary because the employee will be on vacation, the enrollment can be changed and weekly passes may be purchased instead.

As the TPA for the County's Plan, FBMC will be the day-to-day plan administrator. Once the Plan is implemented, FBMC will continue to provide marketing, promotional, and enrollment materials to reach potential new participants. FBMC's administrative fees will be paid by the employees participating in the Plan. This fee ranges from a maximum of \$4.40 to a minimum of \$3.40 per month and is paid on an after-tax basis through payroll deduction. The fee varies based upon the number of employee participants. As the participant level increases, the fee charged to each participant will decrease. Presently, County employees who use public transportation pay for their transit purchases with after-tax income. The amount of tax savings realized by employees participating in the Plan will exceed the nominal administrative fee.

The Department of Human Resources (DHR) will be the fiscal administrator over the Plan Trust Account and will pay the FBMC monthly invoices and reconcile the trust fund account. DHR will also investigate and resolve employee inquiries and maintain updated program and enrollment information on their internal and external websites. DHR will coordinate marketing efforts with CEO Office of Workplace Programs and will provide ongoing communications to new and existing employees through departmental Employee Transportation Coordinators (ETCs).

ETCs will play a major role in communicating the Plan benefits to interested employees. A “kick-off” meeting will be held for all ETCs to provide an overview of Plan features, distribute Plan materials, and provide training regarding the distribution of materials and transit purchases to employees. A representative from FBMC will give a presentation on how to enroll in the Plan using their on-line system. The ETCs will also be responsible for providing information regarding enrollment and plan features to employees on an on-going basis.

It takes approximately six to eight weeks to receive a transit order once enrolled in the Plan. The following outlines the timeline for Plan implementation:

- Month 1 (May 2010): Enrollment and Payroll Deduction
- Month 2 (June 2010): Retraction of Transit purchases for deductions not taken
- Month 2 (June 2010): Transit purchases distributed by mail to participants
- Month 3 (July 2010): Transit purchases effective the first day of month

The successful implementation of the Plan is contingent on the new eHR payroll system’s ability to process payroll deductions on the 30th payday. The 30th payday provides the best timeline for Plan processing. If the eHR payroll system is unable to initially process deductions on the 30th payday or experiences an unforeseen delay in implementation, it is possible that a delay in the Plan implementation may occur.

CONTRACTING PROCESS

On April 10, 2008, the CEO issued a RFP for TPA Services, Plan which was posted on the County’s Internal Services Department’s “Doing Business with Us” website. Advertisements were also placed in the *Los Angeles Times*, *Pasadena Star News*, *Long Beach Press Telegram*, *La Opinion*, and *Los Angeles Sentinel*. An “Invitation to Submit Proposal” was e-mailed to 12 vendors.

The Honorable Board of Supervisors
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On May 1, 2008, five vendors attended the optional Proposers Conference. Three bidders submitted proposals: Conexis, FBMC, and SHPS Human Resources Solutions. Each proposal was thoroughly evaluated by a panel of five employees: three representatives from the CEO, one representative from DHR, and an employee representative of SEIU Local 721. A representative from the Coalition of County Unions was invited but was unavailable to attend the scheduled evaluation meeting.

The FBMC RFP was ranked highest by Committee consensus evaluation. This evaluation was conducted prior to your Board's March 2009 order to change the scoring methodology for all future competitive solicitations to the Informed Averaging method.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This is a new program to the County and will benefit participating employees. It will also encourage and support increased use of public transportation.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:EFS
WGL:LSB:mst

Attachment

c: Auditor-Controller
Chief Information Office
County Counsel
Department of Human Resources
Executive Office, Board of Supervisors



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

FRINGE BENEFITS MANAGEMENT COMPANY

FOR

**THIRD-PARTY ADMINISTRATIVE SERVICES
COMMUTER BENEFIT PLAN**

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**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
FRINGE BENEFITS MANAGEMENT COMPANY
FOR
THIRD-PARTY ADMINISTRATIVE SERVICES
COMMUTER BENEFIT PLAN**

This Contract and Exhibits made and entered into this ___ day of _____, 2010 by and between the County of Los Angeles, hereinafter referred to as County and Fringe Benefits Management Company (FBMC), hereinafter referred to as Contractor. FBMC is located in Tallahassee, Florida.

RECITALS

WHEREAS, the County desires to offer its employees access to the Commuter Benefit Plan to permit County employees the benefit of using pre-tax dollars, within IRS guidelines, for payment of their commuter expenses; and

WHEREAS, the provision and administration of such Commuter Benefit Plan requires special skills and expertise in the area of program promotion, marketing, and records administration services; and

WHEREAS, CONTRACTOR possesses skills, experience, education, competency, staff and resources necessary to assist COUNTY with its Commuter Benefit Plan administration and records management; and

WHEREAS, COUNTY, pursuant to the California Government Code Section 31000.8, is authorized to contract with private firms to perform such services.

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

1.0 APPLICABLE DOCUMENTS

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

Standard Exhibits:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Pricing Schedule
- 1.3 EXHIBIT C - Contractor's Proposed Schedule (Intentionally Omitted)
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to sub-paragraph 8.1 - Amendments and signed by both parties.

2.0 DEFINITIONS

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

- 2.1 **Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.2 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 **County Contract Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.5 **County Contract Administrator (CCA):** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Contract Manager.

- 2.6 **County Contract Manager (CCM):** Person designated by County's Contract Administrator to manage the operations under this Contract.
- 2.7 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 WORK

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

4.0 TERM OF CONTRACT

- 4.1 The term of this Contract shall be three (3) years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole option to extend this Contract term for up to two (2) additional one-year periods, for a maximum total Contract term of five (5) years. Each such option and extension shall be exercised at the sole discretion of the Chief Executive Officer or his/her designee.
- 4.3 The Contractor shall notify the Chief Executive Office (CEO) when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the CCA at the address herein provided in *Exhibit E - County's Administration*.
- 4.4 In the event of expiration of the term of the Contract or termination prior to the expiration of the term of this Contract, the Contractor shall fully cooperate with County to provide for the transition to whatever service replacement method the County determines to be in its best interest.

5.0 CONTRACT SUM

5.1 Payment Pursuant to Pricing Schedule

The County shall pay the Contractor as set forth in the fee schedule for all materials/services covered under this Contract as shown as Exhibit B, Pricing Schedule.

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

5.3 No Payment for Services Provided Following Expiration/Termination of Contract

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

5.4 Invoices and Payments

5.4.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in *Exhibit A - Statement of Work* and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in *Exhibit B - Pricing Schedule*, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.4.2 The Contractor's invoices shall be priced in accordance with *Exhibit B - Pricing Schedule*.

5.4.3 The Contractor's invoices shall contain the information set forth in *Exhibit A - Statement of Work* describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.

5.4.4 The Contractor shall submit the monthly invoices to the County by the 15th calendar day of the month following the month of service.

- 5.4.5 All invoices under this Contract shall be submitted in two (2) copies to the following address:

Maryanne Keehn, Senior Human Resources Manager
Department of Human Resources
Employee Benefits Division
3333 Wilshire Blvd., Suite 1000
Los Angeles, CA 90010

- 5.4.6 **County Approval of Invoices.** All invoices submitted by the Contractor for payment must have the written approval of the CCA prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

- 5.4.7 **Local Small Business Enterprises – Prompt Payment Program**
(if applicable)

Certified Local SBEs will receive prompt payment for services they provide to County departments. Prompt payment is defined as 15 calendar days after receipt of an undisputed invoice.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following sub-paragraphs is designated in *Exhibit E - County's Administration*. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Contract Administrator (CCA)

Responsibilities of the CCA:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.1, Change Notices and Amendments; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Contract Manager (CCM)

The responsibilities of the CCM include:

- meeting with the Contractor's Project Manager on a regular basis;

- ensuring that the technical standards and requirements of Contractor's performance under this Contract are met;
- advising CCA as to Contractor's performance in areas relative to requirements and technical standards; and
- inspecting any and all Licensed Products, Services, tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

6.3 County's Contract Monitor (Monitor)

- The Monitor is responsible for overseeing the day-to-day administration of this Contract. The Monitor reports to the CCM.
- The Monitor 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.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Manager

- 7.1.1** The Contractor's Project Manager is designated in *Exhibit F - Contractor's Administration*. The Contractor's Project Manager is the designated officer or employee responsible for all actions needed to administer the contract and shall have full authority to act for the Contractor on all contract matters relating to daily operations.
- 7.1.2** The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with CCM and County's Monitor on a regular basis.
- 7.1.3** The Contractor's Project Manager must have three (3) years of experience providing administrative services to at least three Commuter Benefit Programs with at least 300 participants or similar to the services identified in this Statement of Work, Exhibit A.
- 7.1.4** The Contractor must maintain a virtual administration office and administration staff will provide prompt customer service to the County of Los Angeles as identified in this Statement of Work, Exhibit A. The Contractor's Project Manager or designee will be available to travel to the County of Los Angeles offices for meetings when deemed necessary by either the County or the Contractor. The Contractor's virtual administration office will maintain office hours suitable to the County of Los Angeles with direct telephone

and e-mail availability from 8:00 A.M. TO 7:00 P.M. (Pacific Standard Time) from Monday through Friday, excluding Holidays.

7.2 Responsibilities of the Contractor's Project Manager include:

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

7.2.2 Contractor's Project Manager shall meet or confer with CCM on a regular basis

7.3 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.

7.4 Background and Security Investigations

7.4.1 At any time prior to or during term of this Contract, the County may require that all Contractor's staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.

7.4.2 County may request that the Contractor's staff be immediately removed from working on the County Contract at any time during the term of this Contract. County will not provide to the Contractor or to the Contractor's staff any information obtained through the County conducted background clearance.

7.4.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff who do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.

7.4.4 Disqualification, if any, of the Contractor's staff, pursuant to this sub-paragraph 7.4, shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.5 Confidentiality

- 7.5.1** The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.
- 7.5.2** The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.5.3** The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the *"Contractor Employee Acknowledgment and Confidentiality Agreement"*, **Exhibit G1**.
- 7.5.4** The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the *"Contractor Non-Employee Acknowledgment and Confidentiality Agreement"*, **Exhibit G2**.

8.0 STANDARD TERMS AND CONDITIONS

8.1 CHANGE NOTICES AND AMENDMENTS

- 8.1.1** The County reserves the right to initiate Change Notices that do not affect the scope, term, contract sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by the CCA. The CCA is authorized to enter into and execute such change notices.
- 8.1.2** During the life of the Contract, the County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer.
- 8.1.3** For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Contractor and by the County's Board of Supervisors.
- 8.1.4** The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive

Officer. To implement such changes, an Amendment to the Contract shall be prepared, negotiated if necessary, and executed by the Contractor and by the CCA.

- 8.1.5** The Chief Executive Officer or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by the County Executive Officer or designee.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1** 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 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.
- 8.2.2** 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.
- 8.2.3** 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.

8.3 AUTHORIZATION WARRANTY

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

8.4 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.4.1 Within (90) business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

8.4.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.4.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

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

8.4.5 The Contractor shall preliminarily investigate all complaints and notify the CCM of the status of the investigation within five (5) business days of receiving the complaint.

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

8.4.7 Copies of all written responses shall be sent to the CCM within three (3) business days of mailing to the complainant.

8.5 COMPLIANCE WITH APPLICABLE LAW

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

8.5.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor

or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.6 COMPLIANCE WITH CIVIL RIGHTS LAWS

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

8.7 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.7.1 Jury Service Program:

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

8.7.2 Written Employee Jury Service Policy.

1. 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.
2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of 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.

3. 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.
4. 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.

8.8 CONFLICT OF INTEREST

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

8.8.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Contract.

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

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.10 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

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

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

8.11 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.11.1 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.

8.11.2 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.

8.11.3 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.

8.11.4 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.

8.11.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.12 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. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

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

8.13.1 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.

8.13.2 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).

8.14 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.

8.15 EMPLOYMENT ELIGIBILITY VERIFICATION

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

8.15.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.16 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.17 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability,

including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.18 FORCE MAJEURE

8.18.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this *Contract*, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.18.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.18.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.19 GOVERNING LAW, JURISDICTION, AND VENUE

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

8.20 INDEPENDENT CONTRACTOR STATUS

8.20.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship

of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

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

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

8.20.4 The Contractor shall adhere to the provisions stated in subparagraph 7.5 - Confidentiality.

8.21 INDEMNIFICATION

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

8.22 GENERAL INSURANCE REQUIREMENTS

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

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

Lorraine Sunday Brown
Chief Executive Office
Compensation Policy Division
500 West Temple Street, Room 526
Los Angeles, CA 90012

prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

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

8.22.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor,

the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

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

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

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

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

- The Contractor providing evidence of insurance covering the activities of Subcontractors, or
- The Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

8.23 INSURANCE COVERAGE REQUIREMENTS

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

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.23.2 Automobile Liability written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

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

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

8.23.4 Professional Liability insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. The coverage also shall provide an extended two year reporting period commencing upon termination or cancellation of this Contract.

8.24 LIQUIDATED DAMAGES

8.24.1 If, in the judgment of the Department Head, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by

the Department Head, or his/her designee, in a written notice describing the reasons for said action.

- 8.24.2** If the Department Head, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or his/her designee, deems are correctable by the Contractor over a certain time span, the Department Head, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Department Head, or his/her designee, may:
- (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
 - (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is Fifty Dollars (\$50) per day per infraction, or as specified in the *Performance Requirements Summary (PRS) Chart*, as defined in *Appendix C, Technical Exhibit 2*, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or
 - (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.
- 8.24.3** The action noted in sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.
- 8.24.4** This sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

8.25 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this

Contract, then such lower prices shall be immediately extended to the County.

8.26 NONDISCRIMINATION AND AFFIRMATIVE ACTION

- 8.26.1** The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.26.2** The Contractor shall certify to, and comply with, the provisions of *Exhibit D - Contractor's EEO Certification*.
- 8.26.3** The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.26.4** The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.26.5** The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.26.6** The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this sub-paragraph 8.26 when so requested by the County.
- 8.26.7** If the County finds that any provisions of this sub-paragraph 8.26 have been violated, such violation shall constitute a material breach

of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

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

8.27 NON-EXCLUSIVITY

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

8.28 NOTICE OF DELAYS

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

8.29 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County Contractor Manager (CCM) and/or County's Contract Administrator (CCA) any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the CCM or CCA is not able to resolve the dispute, the Chief Executive Officer, or designee shall resolve it.

8.30 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

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

8.31 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Exhibit I* of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.32 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in *Exhibits E - County's Administration and F - Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The CEO or his/her designee shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.33 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

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

8.34 PUBLIC RECORDS ACT

8.34.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

8.35 PUBLICITY

8.35.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

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

8.35.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this sub-paragraph 8.36 shall apply.

8.36 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's

written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.36.1** In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.36.2** Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph 8.36 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.36.3** 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 conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

8.37 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.

8.38 SUBCONTRACTING

- 8.38.1** The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.38.2** If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:
- A description of the work to be performed by the Subcontractor;
 - A draft copy of the proposed subcontract; and
 - Other pertinent information and/or certifications requested by the County.
- 8.38.3** The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 8.38.4** The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.38.5** The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.38.6** The County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.38.7** The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.38.8** The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to:

Lorraine Sunday Brown
Chief Executive Office
Compensation Policy Division
500 West Temple Street, Room 526
Los Angeles, CA 90012

before any Subcontractor employee may perform any work hereunder.

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

Failure of the Contractor to maintain compliance with the requirements set forth in sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to sub-paragraph 8.43 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

8.40 TERMINATION FOR CONVENIENCE

8.40.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

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

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

8.40.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with sub-paragraph 8.38, Record Retention & Inspection/Audit Settlement.

8.41 TERMINATION FOR DEFAULT

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

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

8.41.2 In the event that the County terminates this Contract in whole or in part as provided in sub-paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.41.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in sub-paragraph 8.42.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the

required performance schedule. As used in this sub-paragraph 8.42.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

8.41.4 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this sub-paragraph 8.42, or that the default was excusable under the provisions of sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.41 - Termination for Convenience.

8.41.5 The rights and remedies of the County provided in this sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.42 TERMINATION FOR IMPROPER CONSIDERATION

8.42.1 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.

8.42.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

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

8.43 TERMINATION FOR INSOLVENCY

8.43.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as

they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

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

8.43.2 The rights and remedies of the County provided in this subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 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.

8.45 TERMINATION FOR NON-APPROPRIATION OF FUNDS

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

8.46 VALIDITY

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

8.47 WAIVER

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this sub-paragraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.48 WARRANTY AGAINST CONTINGENT FEES

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

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

9.0 UNIQUE TERMS AND CONDITIONS

9.1 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

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

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

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

9.1.4 If the Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification,

and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

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

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and OAC of this information prior to responding to a solicitation or accepting a contract award.

9.2 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

- 9.2.1** This Contract is subject to the provisions of the County's ordinance entitles Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.
- 9.2.2** Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.
- 9.2.3** Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.
- 9.2.4** If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

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

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract award.

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR:
FRINGE BENEFITS MANAGEMENT COMPANY

By Patricia K. Neely
Name

SRVP + CEO
Title

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:

SACHI HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

ANDREA ORDIN
County Counsel

By _____
Principal Deputy County Counsel

STANDARD EXHIBITS

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STATEMENT OF WORK

STATEMENT OF WORK

The Statement of Work encompasses third-party administration of the County of Los Angeles Commuter Benefit Program (CBP) governed under IRS Section 132(f). The Commuter Benefit plan will involve a program to permit County employees the benefit of using pre-tax dollars for payment of their commuter expenses.

Of primary interest is a comprehensive plan for the administration of the following service areas:

- Promotion and Marketing
- Coordination with the County and other agencies
- Employee enrollment processes
- Maintenance of records.
- Purchase and distribution of vouchers and passes
- Transition Plan

The Statement of Work is not intended to be a complete list of all work necessary to administer the program. Proposing parties may suggest a modified scope as part of their proposal.

1.0 Part 1 PROMOTION AND MARKETING

The Commuter Benefit Plan will involve a program to communicate and market to County employees the benefits of using pre-tax dollars for their commuter expenses. Part I work may include, but is not limited to, the following:

- 1.1** Present product information and commentary concerning the tax advantages to employees of Los Angeles County for participating in the CBP. NOTE: participation by County employees will be entirely voluntary. There will be no guarantee by the County relative to employee participation.
- 1.2** Provide supplies, agency personnel, advertisements, flyers, posters, forms, postage, and correspondence required to administer the CBP. NOTE: approval by the County's Department of Human Resources (DHR) is required of any marketing plan, advertisement, employee interest consent form, or offering by Contractor in association with this program.
- 1.3** Provide timely and comprehensive customer service to employees of the County who inquire as to how the CBP works, how to participate, changes to personal information or address, and questions concerning status of the individual's account. Contractor should include any resources it will require to provide timely customer service to the participating employees.

- 1.4 No product or service other than CBP may be marketed or communicated by the Contractor in connection with the Program.
- 1.5 Contractor shall not use or display the official seal of the County or DHR's logo on any of its letterheads or other communications for any reason.
- 1.6 Contractor shall develop, maintain and operate procedures approved by the County for receiving, investigation and responding to complaints.
- 1.7 If requested by the County, Contractor will provide summary reports and any and all telephone and/or written complaints, and/or correspondence by employees. Material to be provided may include, but not limited to e-mails, faxes, and written correspondence, as well as the Contractor's file notations.

2.0 PART 2 COORDINATION WITH COUNTY AND OTHER AGENCIES

The Contractor will be required to utilize systems that will integrate the CBP with the County's Auditor-Controller, Treasurer-Tax Collector and local transportation authorities using Batch Interface and File Transfer Protocol (FTP).

The Contractor will advise the Auditor Controller of payroll deductions elected by the employee. The employee's designated deductions will be limited to the following:

- Pre-Tax deductions not to exceed the maximum allowable limit established by IRS Code Section 132(f).
- After-tax deductions of an applicable amount not covered by pre-tax deductions to cover the total transportation voucher cost.
- The fee, using after-tax dollars, for processing the deduction.

Part 2 work may include, but is not limited to, the following:

- 2.1 Contractor's systems must have ability to interface with internal and external organizations through paper batch, tape, diskette, and FTP data transmission as determined by organization including Auditor-Controller (AC), Chief Executive Office (CEO), Treasurer and Tax Collector (TTC), and the Department of Human Resources (DHR). Systems include AC Payroll and AC Personnel.
- 2.2 The Employee Database is County property. It shall not be used, shared, sold, etc. for any other purpose without the expressed approval by the County. The Contractor shall take all steps possible to protect the County's employee Database, and any and all Interface(s) to County systems. If the Database, or any Interface is compromised, damaged, corrupted, etc., the Contractor shall notify the County immediately. In no case shall the Contractor fail to notify the County within 24 hours of knowledge of any such event.

- 2.3** Coordinate and develop work plans and schedules for meeting various timeframes involved in the administration of the Program.
- 2.4** Services will be performed by one entity to comply with business and processing requirements.
- 2.5** Provide all required reports on a pre-determined basis. Reports will be delivered in hardcopy, disc, CD or other electronic media as required.
- 2.6** The Auditor-Controller will provide a demographic file to Contractor once a week with basic employee information of all eligible employees. This information may contain the employee name, employee number, department number, item number, item sub, pay location, and mailing address.
- 2.7** Upon enrollment or when employee deduction amounts are changed, the Contractor must provide a data file to the Auditor-Controller with employee deduction information once a month per established timeframes. This file must be transmitted via a File Transfer Protocol (FTP) to the County's server. The data file must conform to the data input specifications as defined by the County. This data file will be used by the County to initiate, change or cancel employee deductions.
- 2.8** Upon receipt of data file from Contractor, the County will process the file through an Edit/Validation Process. Transactions that are exceptions must be corrected by the Contractor per established timeframes. The Contractor will receive a fax of the exception report and enter the correction transactions via the Auditor-Controller's Data Conversion System. This system can be accessed via the internet by the Contractor.
- 2.9** After payroll processing, the Auditor-Controller will provide an activity file to the Contractor. This activity file will reflect deductions that were taken from employees. The total deduction amount will reflect the amount that was posted to the trust account for that payroll. This activity file will be transmitted to the Contractor via FTP.
- 2.10** Once a month, the Auditor-Controller will provide an activity file of adjustments and cancellations made during the month outside of regular payroll. This activity file will be transmitted to the Contractor via FTP.
- 2.11** The Contractor will be required to provide reports necessary for the County to reconcile funds in employee accounts as well as the disbursement of funds from the County's accounts to the Contractor or employee.
- 2.12** In the event of payroll discrepancies, the Contractor may need to resolve problems directly with employees. Please describe your capabilities for billing employees for deductions not taken from employee paychecks or

refunding employees for excess deductions.

3.0 PART 3 EMPLOYEE ENROLLMENT PROCESSES

The Contractor will provide a convenient, readily available and easy-to-use system for employee enrollment and submitting account changes. Part 3 work may include, but limited to, the following:

- 3.1 Create/update employee records on the data base to determine employee eligibility for the CBP. New hire and eligible employee data will be transmitted to the Contractor by the County Auditor Controller on a weekly basis.
- 3.2 Providing for a monthly WEB/Internet enabled enrollment system.
- 3.3 The system will also comply with and support all pertinent aspects of the Americans with Disabilities Act including un-manned automated capabilities for content, LAN or internet, or interactive applications. For example, TTY compatibility must allow a TTY user to access information via TTY device, without ever needed staff intervention or relay service.
- 3.4 The Contractor will provide and mail confirmation statement of employee benefit selection within 24 hours of election.
- 3.5 Initialize and maintain employee monthly elections.
- 3.6 Provide daily toll-free customer service access for participants and prospective participants from 8:00 A.M. TO 7:00 P.M. (Pacific Standard Time)
- 3.7 Provide web/internet based access to employees for account activity and balances.

4.0 PART 4 RECORDS MAINTENANCE

The County of Los Angeles is desirous of providing its employees with an agency and service that will assume all day-to-day activities surrounding records maintenance and administration of Pre-Tax commuter benefit program. Part 4 work will include, but is not limited to the following:

- 4.1 Maintenance and administration of documents surrounding the processing of payroll deductions, purchase of transit passes and/or vouchers, and the requisite processes to facilitate documented distribution of employee funds. NOTE: It is the County's intent to use a separate trust account for withheld amounts for the purchase of employee's transit passes and any interest accruing to this trust account would belong to the County of Los Angeles.
- 4.2 The Contractor will provide its own personnel resources and supplies independent of and without assistance from employees of the County.

- 4.3 Maintaining a Data Base for employees in the County's CBP.
- 4.4 Providing real time online access seven (7) days per week to participating employees and historical database(s) capture and reporting, for approved users between the hours of 5:00 a.m. to 12:00 midnight (Pacific Standard Time).
- 4.5 Scheduled database maintenance must be performed during hours of 12:00 Midnight to 5:00 a.m. (Pacific Standard Time) unless other times are pre-approved by DHR.
- 4.6 Providing real time online update and daily batch update capability to insure access to current data maintained by the Contractor.
- 4.7 Providing the capability to generate ad hoc reports with specialized reporting requirements.
- 4.8 Contractors are advised that during the term of the proposed contract, the County may adopt a new payroll system and Contractor modifications or adjustments may be required to accommodate the new system.

5.0 PART 5 DISTRIBUTION OF TRANSIT PASSES

A transit pass include fare media such as a pass, token, facecard, voucher or similar item entitling a person to transportation. Part 5 work will include, but not limited to, the following:

- 5.1 Identification of the Southern California transit agencies, transit companies and van pool providers which will be utilized to provide transit passes.
- 5.2 Proposal for the method of delivery of transit passes to participating employees on a regular monthly basis.
- 5.3 Vouchers must be non-refundable for cash and include provisions that can not be assigned to anyone other than the printed name of the recipient.
- 5.4 Providing measures to help ensure secure delivery of transit passes.
- 5.5 Prepare a procedure for handling lost or stolen transit passes that will not involve County staff.
- 5.6 Allow employee deductions of any amount, within the federal maximum.

6.0 PART 6 TRANSITION PLAN

Upon expiration or termination of the contract or in the event that the County elects not to renew the contract at the end of its term, or otherwise

EXHIBIT A

terminates the contract for default, convenience or insolvency, the Contractor shall fully cooperate with the County to provide for the transition to whatever service replacement method the County determines to be in its best interest. Part 6 work includes, but is not limited to the following:

- 6.1** For two (2) months prior to the expiration or non renewal of the Contract in the ordinary course of business; (b) for two (2) months following the effective termination of the Contract upon County's termination pursuant to Section 8.41 (Termination for Default); and (c) for two months following the effective date of notice of termination by County for any reason, the Contractor shall make provisions for inspection and observation of work procedures during the transition period. In addition, the Contractor shall explain and return to the County the Materials described in Section 8.36 of the Contract.
- 6.2** Data requirements of the County to affect this transition/conversion to a new TPA include, but are not limited to the following:
 - a. File descriptions narratives for all input and output files as will be mutually agreed to between the Contractor and the County will be made available. The Contractor Agrees to provide all information that resides in the Contractor's computer files relation to County participant record, including individual participant record history the County requires for the Transition and for the permanent records of the County.
 - b. Sub-contracted procedures or third-party agreements shall be fully documented by the Contractor, and all files and source documents shall also be made available.

PRICING SCHEDULE

PRICING SCHEDULE

Proposal includes fee for the services to be provided, including all services described in the Statement of Work, Appendix B. The Unit Price will include the charge per employee monthly payroll deduction(s). The Unit Prices incorporates any set-up costs and additional fees required for special tasks or services.

CONTRACT YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Monthly Cost Per Employee Deduction(s) In The Commuter Benefit Plan					
Number of Participants					
0 to 2,500	\$4.40	\$4.40	\$4.40	Cost of Living increase as defined below	Cost of Living increase as defined below
2,501 to 5,000	\$4.05	\$4.05	\$4.05		
5,001 to 7,500	\$3.85	\$3.85	\$3.85		
7,501 to 10,000	\$3.60	\$3.60	\$3.60		
Over 10,000	\$3.40	\$3.40	\$3.40		

Cost of Living: The per deduction contract amount may be adjusted annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the most recently published percentage change for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Executive Office as of each July 1 for the prior 12-month period. Furthermore should fiscal circumstances ultimately prevent the Board from approving any increase in County employees salaries, no cost of living adjustments will be granted.

Communications Materials

PDF Communication materials are provided at no charge. Included are normal maintenance/upkeep channels, removal of content, IRS changes and includes the following customizations:

- The County name and logo throughout materials
- The County's specific plan design, features, including pre-tax limits, eligibility period and enrollment procedures
- Enrollment Dates
- Describing the timeline.

Services Excluded from the Quotation for Pricing

Additional customization charges will be \$85 per hour.

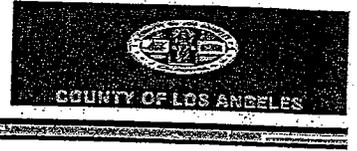
Printing costs per set for employee enrollment packages are:

<u>Quantity</u>	<u>Price</u>	<u>Quantity</u>	<u>Price</u>
Less than 5,000	\$.75	20,001 to 30,000	\$.50
5,001 to 10,000	\$.70	30,001 to 40,000	\$.40
10,001 to 20,000	\$.65	40,001 to 50,000	\$.35
		Over 50,001	\$.30

LA County VPN development project – The total client cost is \$3720. (32 hours of work by internal resources for a client cost of \$2720, plus an additional external resource cost of \$1000).

***CONTRACTOR'S PROPOSED
SCHEDULE***

(INTENTIONALLY OMITTED)



REQUIRED FORMS - EXHIBIT 8

PROPOSER'S EEO CERTIFICATION

FRINGE BENEFITS MANAGEMENT COMPANY
Company Name

3101 SESSIONS ROAD TALLAHASSEE FL 32303
Address

59-1657263
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Proposer certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Proposer has written policy statement prohibiting discrimination in all phases of employment.	<input checked="" type="checkbox"/>	()
2. Proposer periodically conducts a self-analysis or utilization analysis of its work force.	<input checked="" type="checkbox"/>	()
3. Proposer has a system for determining if its employment practices are discriminatory against protected groups.	<input checked="" type="checkbox"/>	()
4. When problem areas are identified in employment practices, Proposer has a system for taking reasonable corrective action to include establishment of goal and/or timetables.	<input checked="" type="checkbox"/>	()

Karen J. Gilliard
Signature

05/13/08
Date

KAREN J. GILLIARD HUMAN RESOURCES MANAGER
Name and Title of Signer (please print)

EEO CERTIFICATION

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR:

Name: William G. Lynes
Title: Senior Manager, CEO
Address: 500 W. Temple Street, Room 526
Los Angeles, CA 90012
Telephone: (213) 974-2486
Facsimile: (213) 621-3172
E-Mail Address: wlynes@ceo.lacounty.gov

COUNTY PROJECT MANAGER:

Name: Marian Hall
Title: Assistant Director, Human Resources
Address: 3333 Wilshire Blvd., Suite 1000
Los Angeles, CA 90010
Telephone: (213) 738-2222
Facsimile: (213) 637-0820
E-Mail Address: mhall@hr.lacounty.gov

COUNTY CONTRACT PROJECT MONITOR:

Name: Maryanne Keehn
Title: Senior Human Resources Manager
Address: 3333 Wilshire Blvd., Suite 1000
Los Angeles, CA 90010
Telephone: (213) 728-2255
Facsimile: (213) 637-0820
E-Mail Address: mkeehn@hr.lacounty.gov

CONTRACTOR'S ADMINISTRATION**CONTRACTOR'S NAME: FRINGE BENEFITS MANAGEMENT COMPANY****CONTRACT NO:** _____**CONTRACTOR'S PROJECT MANAGER:**

Name: David Hanley
Title: Account Manager
Address: 3101 Sessions Road
Tallahassee, Florida 32303
Telephone: (800) 533-2738 x 2594
Facsimile: (850) 425-6220
E-Mail Address: dhanley@fbmc.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Susan Jones
Title: Vice President, Client Services
Address: 3101 Sessions Road
Tallahassee, Florida 32303
Telephone: (850) 872-0345 x 2116
Facsimile: (850) 425-6220
E-Mail Address: sjones@fbmc.com

Name: Scott Mixon
Title: Vice President, Client Services
Address: 3101 Sessions Road
Tallahassee, Florida 32303
Telephone: (800) 872-0345 x 2115
Facsimile: (850) 425-6220
E-Mail Address: smixon@fbmc.com

Notices to Contractor shall be sent to the following:

Name: David Hanley
Title: Account Manager
Address: 3101 Sessions Road
Tallahassee, Florida 32303
Telephone: (800) 533-2738 x 2594
Facsimile: (850) 425-6220
E-Mail Address: dhanley@fbmc.com

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

- G1 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G2 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT



Electronic Original

April 20, 2009

Lorraine Sunday Brown
Chief Executive Office
County of Los Angeles
lsunday@ceo.lacounty.gov

Re: Exhibit G1: Contractor Employee Acknowledgement and Confidentiality Agreement
Exhibit G-2: Contractor Non-Employee Acknowledgement & Confidentiality Agreement

Dear Ms. Sunday,

I am forwarding to you electronically two files which contain the names of FBMC and subcontractor Wired Commute employees who will or who may be providing services under the master services agreement between the County and FBMC. By my signature below I am certifying that all applicable employees have read and signed the forms. I erred on the conservative side; if there was the possibility one of our employees would touch this benefit plan in any way he/she was asked to review and sign the form. Similar instructions were provided to the subcontractor.

Per our conversation by phone last week, let me confirm that I am providing you with the master list of names; however, you did not want the original forms. I will maintain the FBMC original forms as part of each employee's personnel file; Wired Commute will do the same with their forms.

As new or existing employees are assigned responsibilities related to your benefit plan, each will be provided a form to complete. I am maintaining the names in a Microsoft Access data base for easy updating and tracking. I can provide annual updates or another frequency convenient to you. Please let me know your requirements.

It is our pleasure to provide services to the County. Let me know if you have questions, or need additional information.

Respectfully,

Patricia K. Neely, Sr. VP
Chief Compliance Officer

FBMC	First Name	Last Name	Title	Date Added	Date Deleted
1	Muriel	Etienne	Compliance	4/15/09	
2	Patricia	Neely	CCO	4/15/09	
3	Fred	Anderson	VP Accounting	4/14/09	
4	Betty	Wartford	TL Corp. Acct	4/14/09	
5	Nancy	Gornito	Corp. Acct	4/14/09	
6	Cameron	Huff	Acct. Asst	4/14/09	
7	Mark	Mitcham	Acct. Asst	4/14/09	
8	Joann	Maxwell	TL Corp Acct	4/14/09	
9	Priscilla	McBride	Sr. Acct. Spec	4/14/09	
10	Amy	Gordon	Acct. Asst	4/14/09	
11	Terri	Thigpen	Acct. Asst	4/14/09	
12	Tobi	Hester	TL. Corp. Acct	4/15/09	
13	Shoana	Whitfield	Acct. Spec.	4/15/09	
14	Tiffany	Lee	Payroll Analyst	4/15/09	
15	Carla	Kirkland	Corp. Acct	4/15/09	
16	Lorraine	Strickland	President	4/14/09	
17	Kim	Farris	VP. Benefits Admin	4/14/09	
18	Susan	Cline	TL Implementation	4/16/09	
19	Toya	Mosley	Enrollment Coordinator	4/17/09	
20	Cara Alane	West	Acct. Asst	4/17/09	
21	Gingy	Sampson	Manager	4/17/09	
22	Fran	Keyes Jr	Ded. Manager	4/14/09	
23	Linda	Boney	TL Ded. Mgmt	4/14/09	
24	Kim	Christie	TL. Ded Mgmt	4/17/09	
25	Siara	Johnson	TFA Prep	4/16/09	
26	Jennifer	James	DED. Clerk	4/15/09	
27	Loretta	Harrell	TL. TFA	4/15/09	
28	Jamalya	Gaines	TFA Specialist	4/15/09	
29	Denisia	Andrews	Mail Processor	4/15/09	
30	Jeremy	Thompson	Sr. Mail Processor	4/15/09	
31	Wilson	Barkley	Mail Processor	4/15/09	
32	Ashley	Peterson	TFA Mail Prep	4/15/09	
33	Moses	King Jr.	Opex Scanner	4/15/09	
34	Alfredo	Wiley Jr.	TFA Mail Clerk	4/15/09	
35	Flora	Ball	Manager, Claims	4/15/09	
36	Sophia	Keaton	Clerical Clerk	4/15/09	
37	Lekenyia	Beal	Cards Svce Auditor	4/15/09	
38	Zanteka	Colston	Card Analyst	4/14/09	
39	Devin	Givens	Card Examiner	4/15/09	
40	Jeremy	Evans	Sr. Card Examiner	4/15/09	
41	James	Ford Jr.	Card Analyst	4/14/09	
42	Felicia	Thomas	Admin Assistant	4/14/09	
43	Robert	Skipper Jr.	TL Card Services	4/14/09	
44	Kendall	Hall	Manager, Card Services	4/14/09	
45	Monique	Marshall	Card Examiner	4/14/09	
46	Antonio	Rainey	Acct Mgmt Spec	4/17/09	

FBMC	First Name	Last Name	Title	Date Added	Date Deleted
47	Florida	Parrish	Claims Examiner	4/17/09	
48	Jennifer	Jensen	Sr. Business Analyst	4/17/09	
49	Demetrious	Watts	Customer Care Spec.	4/17/09	
50	Eulalia	Ulloa	Customer Care Spec.	4/17/09	
51	Covey	Paige	Appeals Specialist	4/17/09	
52	Linda	Green	Manager - Customer Car	4/17/09	
53	Kenisha	Gates	Customer Care Spec	4/17/09	
54	Erin	Fields	TL, Customer Care	4/17/09	
55	Herman	Tucker	Status-Change Spec.	4/17/09	
56	Jameel	Jackson	Customer Care Spec.	4/17/09	
57	Evelyn	House	TL, Customer Care	4/17/09	
58	Brian	Bailey	Customer Care Spec	4/17/09	
59	Rebecca	Mohammed	Customer Care Spec	4/17/09	
60	Andrew	Messinga	Customer Care Spec.	4/17/09	
61	Doris	Nelson	Customer Care Spec	4/17/09	
62	Heather	Davis	Customer Care Spec	4/17/09	
63	Kelly	Ball	Customer Care Spec.	4/17/09	
64	Christopher	Stokes	Customer Care Spec.	4/17/09	
65	Jason	Perdue	Customer Care Spec.	4/17/09	
66	Loni	Laurent	Customer Care Spec	4/17/09	
67	Frances	Butler	Customer Care Spec.	4/17/09	
68	Nicole	Denny	Customer Care Spec	4/17/09	
69	Tanisha	Young	Customer Care Spec	4/17/09	
70	Oronde	Stephens	Customer Care Spec	4/17/09	
71	Mahogany	Scott	Customer Care Spec	4/17/09	
72	Shamika	Ivey	Customer Care Spec	4/17/09	
73	Michael	Joseph Jr.	Customer Care Spec.	4/17/09	
74	Shameka	Collins	Customer Care Spec	4/17/09	
75	Mardie	Holloway	Customer Care Spec	4/17/09	
76	Jamie	Lambert	Customer Care Spec	4/17/09	
77	Lauren	House	Customer Care Spec	4/17/09	
78	Erica	Williams	Customer Care Spec.	4/17/09	
79	Sharon	Richardon	Customer Care Spec.	4/17/09	
80	Andrea	Scott	Custoemr Care Spec.	4/17/09	
81	Floyd	Miles	Supervisor, Customer C	4/17/09	
82	Michael	Crooms	Sr. Specialist, Customer	4/17/09	
83	Kanisha	Jones	Sr. Customer Care Spec	4/17/09	
84	Jonathan Tyler	Jones	Sr. Customer Care Spec.	4/17/09	
85	Gina	Moat	TL. Customer Care	4/17/09	
86	Osvenly	Hernandez	Customer Care Spec.	4/17/09	
87	Cory	Beal	Customer Care Spec.	4/17/09	
88	Carmen	Jordan	Customer Care Spec.	4/17/09	
89	Lakacea	Franklin	Customer Care Spec.	4/17/09	
90	LySandra	Menendez	Customer Care Rep.	4/17/09	
91	Gabriel	Lopez	Customer Care Spec.	4/17/09	
92	Rosalie	Palomo-Rodrig	Customer Care Rep.	4/17/09	

FBMC	First Name	Last Name	Title	Date Added	Date Deleted
93	Derrick	Gordon	Sr.Customer Care Spec.	4/17/09	
94	Craig	Stephens	Admin. Asst/ Customer	4/17/09	
95	Angel	Perryman	Mail Processor	4/17/09	
96	Darrow	Fisher	EDI Specialist	4/20/09	
97	Barbara	Gonzales	Chief Operations Officer	4/20/09	
98	Patrice	Alfred	Deduction Mgmt Analyst	4/20/09	



To Whom It May Concern:

The following **WiredCommute LLC** employees have signed the **Contractor Non-Employee Acknowledgement and Confidentiality Agreement** as per requirement of the County of Los Angeles.

Employee	Position	Date signed
Gerard Bridi	President	4/15/09
Nuno Fernandes	Customer Service Manager	4/15/09
Keven Suttle	Account Manager	4/15/09
Darius Zayas	Account Manager	4/15/09
Christopher Lazzaro	Operations Manager	4/16/09
Francis Dominguez	Operations Support Specialist	4/16/09
Ryan Slater	Operations Support Specialist	4/16/09
Patricia Scanlan	Operations Support Specialist	4/16/09
JohnPaul Laverly	Operations Support Specialist	4/16/09
Niraj Jetly	VP – Engineer	4/17/09
Mulham Hafiez	Data-Base Administrator	4/17/09
Sudhir Chaudhary	Technical Lead	4/17/09
Ni Yan	Sr. Software Engineer	4/17/09
Bhaskar Sarma	Sr. Software Engineer	4/17/09

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 and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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.

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 and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

- D. "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 chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002; Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002; Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

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

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

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org

No shame. No blame. No names.

Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.



In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafe1a.org



State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors

Gloria Molina, Supervisor, First District

Yvonne Brathwaite Burke, Supervisor, Second District

Zev Yaroslavsky, Supervisor, Third District

Don Knabe, Supervisor, Fourth District

Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 26, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena. Sin culpa. Sin peligro.

Los recién nacidos pueden ser entregados
en forma segura en la sala de emergencia de
cualquier hospital o en un cuartel de bomberos
del Condado de Los Angeles.



En el Condado de Los Angeles:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org



Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito

Wonne Brathwaite-Burke, Supervisora, Segundo Distrito

Zey Yanzlavsky, Supervisor, Tercer Distrito

Don Krabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa también está apoyada por First 5 LA y INFO LINE de Los Angeles.

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID KP
FRING-1

DATE (MM/DD/YYYY)
10/30/08

PRODUCER
Rogers, Gunter, Vaughn
Insurance, Inc.
1117 Thomasville Rd.
Tallahassee FL 32303
Phone: 850-386-1111 Fax: 850-385-9827

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Fringe Benefits Management Co
21st Century Health & Benefits Inc
Holly Hance
PO Box 1878
Tallahassee FL 32302-1878

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Travelers Indemnity Co	24775
INSURER B:	Zurich American Insurance	
INSURER C:	American Intl Specialty Lines	
INSURER D:		
INSURER E:		

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	I6809262H957COF08	10/30/08	10/30/09	EACH OCCURRENCE	\$ 2000000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300000
						MED EXP (Any one person)	\$ 5000
						PERSONAL & ADV INJURY	\$ 2000000
						GENERAL AGGREGATE	\$ 4000000
						PRODUCTS - COMP/OP AGG	\$ 4000000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	BA7860H50708SEL	10/30/08	10/30/09	COMBINED SINGLE LIMIT (Ea accident)	\$ 1000000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
A		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 5000	ISMCP2121Y174IND08	10/30/08	10/30/09	EACH OCCURRENCE	\$ 6000000
						AGGREGATE	\$ 6000000
							\$
							\$
							\$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	IVYANUB2278Y48A08	10/30/08	10/30/09	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER	
						E.L. EACH ACCIDENT	\$ 500,000
						E.L. DISEASE - EA EMPLOYEE	\$ 500,000
						E.L. DISEASE - POLICY LIMIT	\$ 500,000
B		Empl Dishonesty	FID904442402	10/30/08	10/30/09		\$4,000,000
C		Professional Liab	003309082	10/30/08	10/30/09	5,000,000	5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 B Directors & Officers Liability \$2,000,000 limit

CERTIFICATE HOLDER

CANCELLATION

FORPROP

FOR PROPOSAL PURPOSES

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE
Ray T. Allaps

ACORD™ CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YYYY)
2/27/2009

PRODUCER (781) 444-3050 FAX: (781) 444-3051 Aronson Insurance 950 Highland Ave Needham MA 02494	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED Accor Services North America, Inc, 51 Water Street Watertown MA 02472	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURERS AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: St Paul Fire & Marine</td> <td>24767</td> </tr> <tr> <td>INSURER B: Travelers Indemnity of CT</td> <td>25682</td> </tr> <tr> <td>INSURER C: AXIS Surplus Ins Co</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: St Paul Fire & Marine	24767	INSURER B: Travelers Indemnity of CT	25682	INSURER C: AXIS Surplus Ins Co		INSURER D:		INSURER E:	
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INSURER E:													

COVERAGES
 THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
A		GENERAL LIABILITY	TT06301349	1/1/2009	1/1/2010	EACH OCCURRENCE \$ 1,000,000								
		<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO JECT <input type="checkbox"/> LOC				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 250,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000								
A		AUTOMOBILE LIABILITY	MA06300191	1/1/2009	1/1/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000								
		<input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$								
A		EXCESS/UMBRELLA LIABILITY	TT06301349	1/1/2009	1/1/2010	EACH OCCURRENCE \$ 1,000,000								
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000				AGGREGATE \$ 1,000,000 \$ \$ \$								
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	HN08072L03707	1/1/2009	1/1/2010	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">WC STATUTORY LIMITS</td> <td style="width: 50%;">OTHER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$ 1,000,000</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$ 1,000,000</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$ 1,000,000</td> </tr> </table>	WC STATUTORY LIMITS	OTHER	E.L. EACH ACCIDENT	\$ 1,000,000	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
WC STATUTORY LIMITS	OTHER													
E.L. EACH ACCIDENT	\$ 1,000,000													
E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000													
E.L. DISEASE - POLICY LIMIT	\$ 1,000,000													
C		OTHER Errors & Omissions	ECN12540901	1/1/2009	1/1/2010	Per Claim Limit \$2,000,000 Policy Aggregate \$2,000,000 Retention \$10,000								

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER DBA Accor Services USA www.AccorServicesUSA.com WiredCommute LLC Commuter Check Services Corp	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>10</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE S Aronson, CIC/SANDY
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AGREEMENT

This agreement is made commencing on July 18, 2008 between:

WiredCommute, LLC, a Delaware limited liability company, located at 51 Water Street, Watertown, MA 02472, herein referred to as, "Company" and

Fringe Benefits Management Company, 3101 Sessions Road, Tallahassee, Florida 32303 herein referred to as "Client".

1. Purpose of the Agreement

Client hereby contracts with Company for the supply and fulfillment of commuter products (including transit products, transit and parking vouchers, and parking payments) for use in support of Client's services to Employers for their respective employees commuting to work for transit/parking purposes set forth in legislation known as The Transportation Equity Act of the 21st Century (TEA-21).

2. Description of Services and Process

- 2.1 Company will maintain a network of transit agencies and parking providers for the purpose of offering a nationwide online ordering and fulfillment solution (WC Platform) to participating employees.
- 2.2 Client provides Company with the following eligibility information: employee name, employee ID number, delivery address, delivery city, delivery state, delivery zip, phone number, email address.
- 2.3 Employees of Client's customers will have access to the WC Platform and will be able to order transit products, transit or parking vouchers, and parking payments electronically through the Company's on-line ordering system that will be launched from the Client's website.
- 2.4 Company provides Client with monthly reports, including: Comprehensive Payroll Deduction report and Order Funding report. All reports are available to Client two days after the monthly cut-off date thru the Company Admin Site.
- 2.5 Company creates and posts a Funding Report per Employer customer two nights after the mutually agreed upon monthly cut-off date, and the Client is responsible to make payment of the due amount from the aggregate of all respective customer Funding Reports. Payment terms are "Net 3 days

from the posting of the Funding Report, 5 days from the monthly cut-off date."

- 2.6 Company will manage the fulfillment of all orders to participants including monthly loading of smart cards, mailing of payments to parking operators, and mailing of products to individual employees via first class mail in time to ensure receipt and usage on the 1st of the benefit month.
- 2.7 Company provides a generic user guide for use by Client in communicating the instructions for using Company ordering and admin system. Client is responsible for customizing materials for distribution to its Employer customers and employees.

3. Company's Limit on Liability and Responsibilities:

- 3.1 Company will not be held liable for the loss of commuter products by the United States Postal Service (USPS), except as specified in Section 5.4 below.
- 3.2 Company will not be held liable for vouchers redeemed after their expiration date.
- 3.3 Company will not be held liable for the delivery of commuter products to an inaccurate employee mailing address that is the then most current home address provided by Client.
- 3.4 Company will not charge a higher price for transit products than the price set by local transit agencies.
- 3.5 Company will not be held liable for late distribution of commuter products where delivery was delayed by local transit agency or voucher providers.
- 3.6 Under specific guidelines dictated by our vendors, commuter products can be returned for a total or partial refund.
- 3.7 Company shall be responsible to provide development specifications and implementation assistance needed for software integration.
- 3.8 Client agrees to keep accurate books of accounts and records in sufficient details for at least 3 years.
- 3.9 Company shall be responsible to maintain and update its software to keep current in regards to transit product price increases and fare changes.
- 3.10 Confidential Information - In providing services, Company will have access to records and documents, which may contain confidential information about employees of Client's customers. Company agrees that its employees and agents will receive such Confidential Information in strict confidence and will not disclose such Confidential Information to any third party without the prior written consent of an authorized senior officer of Client to do so.

- 3.11 Company will not be liable for any employee data sent by Client that is not sent via a secure channel.
- 3.12 Company shall be responsible to maintain a secondary Tier 2 customer support role to Client's Customer Service Representatives during the hours of 8am (EST) to 5pm (EST), Monday through Friday.
- 3.13 Company shall adhere to performance standards as further defined in Appendix C.
- 3.14 Company shall provide initial training support (via video and/or audio) to Client-identified representatives (including the Subject Matter expert as identified in Section 4.9 and Appendix D). Should Client require on site training, Company shall charge for the related costs only.

4. Client's responsibilities:

- 4.1. Software Integration - Client will integrate their software services with the WC Platform. Necessary software integration will be described in more detail in Appendix A - TPA_WiredCommute Interface Specification Document.
- 4.2. Client agrees to keep accurate books of accounts and records in sufficient details for at least 3 years.
- 4.3. Client will create, with Company's assistance, communication, sales strategy, plan design and implementation procedural manuals in order to provide Employers and their respective employees with a valuable educational tool.
- 4.4. Client shall manage all implementation efforts for its Customers.
- 4.5. Client shall be responsible for direct support to its Customers and Customers' employees by providing customer management and a Tier 1 call center.
- 4.6. Client shall be responsible for all funding amounts of transit and parking orders by all employees under Client profile in the WC Platform.
- 4.7. Client is responsible to maintain accurate employee demographic information in the WC system, including accurate home delivery addresses.
- 4.8. Client is responsible to maintain the active/inactive status for all employees loaded in the WC system.
- 4.9. Client agrees to appoint an internal Subject Matter Expert whose responsibilities will include, but not be limited to the following: Working knowledge of the WC technical interfaces, user interface, and Admin system. Responsible for training of Client staff, including Operations and Call Center support teams.

4.10. Client agrees to further support the WC Platform and its Customers in accordance to Appendix D.

5. Financial Terms

SECTION 5 HAS BEEN INTENTIONALLY LEFT BLANK
PROPRIETARY PRICING INFORMATION

SECTION 5 HAS BEEN INTENTIONALLY LEFT BLANK

PROPRIETARY PRICING INFORMATION

6. Contract Commencement, Duration and Termination

- 6.1. Start date: Company shall commence operating under the terms of this contract on - January 1, 2009.
- 6.2. Duration: This contract shall remain in force for an initial period of three years from its effective date of January 1, 2009, and continuing until the last day of January 2012.
- 6.3. There shall be automatic extensions beyond this initial period on an annual basis, commencing on February 1, 2012, subject, however, to other conditions and provisions provided herein.
- 6.4. Termination: This contract may be terminated either by Client or by Company with a 60-day prior written notification of termination.

7. Privacy: Company shall maintain a secure system environment and will not disclose knowingly to any third party client information of a confidential nature, including employee specific information.

8. Arbitration: Disputes brought by either party shall be arbitrated in Boston, MA in accordance with the Commercial Arbitration Rules of the American Arbitration Association. No cost or judgments against the Company or the Client may exceed the annual value of the contract.

9. Use of Client Name: The use of the Client's name (alone or in part of another name) by Company, or any of their subcontractors in advertising or promotional material shall be permitted only upon the prior written approval of Client.

ENTIRE CONTRACT

The parties hereto have agreed to abide by all of the terms, conditions and requirements as set forth and made a part hereof.

This contract and other documents specifically incorporated herein, contain the entire understanding and agreement of the parties concerning the matters contained herein.

The contract language will take precedent over any Appendices and Attachments.

In witness thereof, the parties hereto execute this contract on July 18, 2008.

APPROVED:

SIGNED BY AN OFFICER OF
Fringe Benefits Management
Company

SIGNED BY AN OFFICER OF
WIREDCOMMUTE, LLC

Lorraine Strickland

[Signature]

NAME LORRAINE STRICKLAND

NAME Gerard Brudi

TITLE: CEO

TITLE: President

DATE: 9/26/08

DATE: 09/17/08