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**COUNTY OF LOS ANGELES**  
**DEPARTMENT OF**  
**CONSUMER AND BUSINESS AFFAIRS**

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Members of the Board

Hilda L. Solis  
Mark Ridley-Thomas  
Sheila Kuehl  
Don Knabe  
Michael D. Antonovich

*"To Enrich Lives Through Effective and Caring Service"*


February 16, 2016

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

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

16 February 16, 2016

  
PATRICK O'QUINN  
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZATION FOR THE DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS TO SIGN  
AND EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE LEGAL AID SOCIETY OF  
ORANGE COUNTY TO ENHANCE DEBT COLLECTION WORKSHOP OPERATIONS  
(All Supervisorial Districts) (3 Votes)**

**SUBJECT**

The Department of Consumer and Business Affairs (DCBA) requests your Board's approval to enter into a Memorandum of Understanding (MOU) with the Legal Aid Society of Orange County dba Community Legal Services (hereinafter "LASOC" or "CLS"). The MOU will continue the existing partnership and improve the coordination between DCBA and LASOC in offering Debt Collection Workshops ("Workshops") within Los Angeles County ("County").

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director of DCBA to sign an MOU (Attachment A) with LASOC from March 1, 2016 through December 31, 2016, to provide informational presentations and one-on-one counseling sessions as part of the Workshops for County residents, and be reimbursed for the work performed.
2. Authorize the Director of DCBA to extend the MOU by up to an additional three years, in one year increments, on the same terms.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Each month, thousands of consumers in the County are faced with legal actions regarding delinquent debt and have little knowledge about how to respond to these actions. Many consumers cannot afford to consult with an attorney. Providing education and information on the consumer debt collection process allows consumers to make informed decisions regarding their debt collection situation.

DCBA recognizes the need to continue providing information to litigants facing debt collection. DCBA has partnered with the Los Angeles Superior Court and LASOC to assist these litigants. LASOC applied for, and was awarded, a State Bar Partnership Grant ("Grant") to provide Workshops at the Norwalk Courthouse, which is one of the two hubs for debt collection cases in the County. The Workshops will continue providing a general informational presentation, followed by one-on-one counseling to participants. This MOU continues the partnership between LASOC and DCBA. LASOC previously received this grant and partnered with DCBA for calendar year 2015.

This MOU establishes the roles and responsibilities of DCBA and LASOC and provides DCBA with reimbursement for providing presentations and counseling at these Workshops.

## **Implementation of Strategic Plan Goals**

This request supports the County's strategic Plan as follows:

Goal No. 2: Community Support and Responsiveness: Enrich lives of County residents by providing enhanced services, and effectively planning and responding to economic, social, and environmental challenges.

Goal No. 3: Integrated Services Delivery: Maximize opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community, and public safety services.

## **FISCAL IMPACT/FINANCING**

DCBA will be able to request reimbursement from LASOC for conducting the Workshops, for a total sum of up to \$21,600. This revenue is from the Grant awarded to LASOC to conduct the Workshops.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Under County Code Section 2.62.030, DCBA's duties include informing consumers and businesses on applicable regulations and resources available to them; and providing consumer education material to the public. The Workshops fall under both of these Departmental responsibilities - to inform and educate consumers.

In this partnership with LASOC, DCBA will provide an attorney two Tuesday afternoons each month and one counselor three Tuesday afternoons each month for the Workshops at the Norwalk Courthouse. DCBA will also ensure that the Workshops offer a 30-minute informational PowerPoint presentation detailing the debt collection process prior to and during litigation; and meet one-on-one with participants at the Workshops for individual counseling sessions after the group presentation.

Under the terms of this MOU, DCBA will be conducting Workshops in partnership with LASOC from March 1, 2016 through December 31, 2016. Either party may terminate this MOU at any time and for any reason upon 60-days written notice to the other party.

Each attorney or counselor conducting the Workshops will undergo a two-hour training on the laws governing the debt collection process, and then will shadow a facilitator at the Workshops for a minimum of two sessions before assuming any counseling role.

Participants will be made aware that no direct assistance will be provided in regards to the completion of answers to a summons and complaint for collection, no legal advice will be provided and no attorney-client relationship is formed as part of the Workshops.

The MOU contains mutual indemnification provisions that require LASOC and DCBA to indemnify, defend and hold harmless the other from and against any and all liability arising from or connected with claims, lawsuits for damages, and/or Worker's Compensation benefits relating to services which result from bodily injury, death, personal injury, and/or property damage. Neither party is obligated to indemnify for liability and expense arising from an act of negligence.

The MOU deviates from the County's standard terms and conditions and does not contain any of the Board mandated and Board Policy terms and conditions, i.e., Safely Surrendered Baby Law, Defaulted Property Tax Program, Jury Service Ordinance, etc. which were not considered applicable to this agreement.

DCBA has consulted with CEO Risk Management and County Counsel regarding insurance and indemnification provisions in the MOU and understands the associated risks to the County. However, DCBA believes that these risks are acceptable given the need for services and resulting benefits to the public.

County Counsel has approved the attached MOU as to form.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The approval of this recommendation will not reduce services currently provided by DCBA. Your Board's approval of this request will provide much needed assistance to the consumers of the County who otherwise would not receive help or information about how to handle debt collection issues.

### **CONCLUSION**

Please authorize DCBA to sign the MOU and return one adopted copy of this letter to DCBA.

The Honorable Board of Supervisors

2/16/2016

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Respectfully submitted,

A handwritten signature in black ink that reads "Brian J. Stiger". The signature is written in a cursive style with a large, prominent "B" and "S".

BRIAN J. STIGER

Director

BJS

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Officer, Board of Supervisors

## **MEMORANDUM OF UNDERSTANDING**

The Legal Aid Society of Orange County (hereinafter “LASOC”) and the County of Los Angeles Department of Consumer and Business Affairs (hereinafter “DCBA”) agree to the following Memorandum of Understanding (MOU) setting forth the services to be provided under the 2016 State Bar of California Partnership Grant for the Consumer Debt Collection Workshop.

### **A. Purpose**

In partnership with the Superior Court of California, County of Los Angeles (“Court”), LASOC and DCBA will provide Consumer Debt Collection Workshops on every First (1<sup>st</sup>), Second (2<sup>nd</sup>), and Third (3<sup>rd</sup>) Tuesday afternoon of each month at the Southeast District (Norwalk) Superior Court. LASOC has received a grant from the State Bar of California and has sub-granted funds to DCBA to collaborate and conduct the Consumer Debt Collection Workshops. LASOC or DCBA will provide an attorney and one (or more) counselors well versed in Debt Collection law and practices at each Consumer Debt Workshop.

### **B. Term**

1. This MOU is effective March 1, 2016 – December 31, 2016. Either party may terminate this MOU at any time and for any reason upon 60 days written notice to the other party.
2. Any proposed changes to this MOU shall be made 30 days in advance for consideration prior to implementation.

### **C. Role and Responsibilities of LASOC**

LASOC agrees to:

1. Provide one (1) attorney at the Consumer Debt Collection Workshop once (1) every second (2<sup>nd</sup>) Tuesday of every month.
2. Provide one (1) counselor at the Consumer Debt Collection Workshop every first (1<sup>st</sup>), second (2<sup>nd</sup>), and third (3<sup>rd</sup>) Tuesday afternoon of each month.
3. Ensure that the attorney and counselor staffing the Consumer Debt Collection Workshop are well versed in Debt Collection law and processes. LASOC will ensure that the workshop will offer a 30 minute informational PowerPoint detailing the collections process prior to and during litigation, along with information on post judgment issues. The presentation will be followed by a question and answer period. All participants will be offered the opportunity to meet one-on-one with one of the workshop facilitators for counseling regarding specific concerns relating to debt collection. Participants will be made aware that no direct assistance will be provided in regards to the completion of answers to a Summons and Complaint for collection, no legal advice will be provided and no attorney-client relationship is formed as part of the Workshop. Participant may be

provided with referrals for assistance with answering the Summons and Complaint, may be provided with self-help materials to allow them to answer the Summons and Complaint on their own, and may be provided referrals for debt collection counseling and mediation.

4. LASOC, along with DCBA and the Court, will assume the primary role of administration, intake and scheduling procedures for those who wish to sign up for the workshop and those who attend the workshop.
5. Provide DCBA with information and materials provided to LASOC by Court, or reasonably available to LASOC, to assist DCBA in its performance under this MOU including, but not limited to, announcements, bulletins, directives, instructions and forms relating to the State Bar of California's Legal Services Trust Fund Program- Equal Access Fund Partnership Grant.
6. Provide DCBA with reasonable notice of all reporting deadlines under the State Bar of California's Legal Services Trust Fund Program- Equal Access Fund Partnership Grant and/or LASOC's MOU with the Court so that DCBA may timely submit information, materials and reports to LASOC, so that LASOC will be able to prepare and submit reports to the Court and The State Bar.

#### **D. Role and Responsibilities of DCBA**

DCBA agrees to:

1. Provide one (1) attorney at the Consumer Debt Collection Workshop every first (1<sup>st</sup>) and third (3<sup>rd</sup>) Tuesday of each month.
2. Provide one (1) counselor at the Consumer Debt Collection Workshop every first (1<sup>st</sup>), second (2<sup>nd</sup>), and third (3<sup>rd</sup>) Tuesday afternoon of each month.
3. Ensure that the attorney and counselor staffing the Consumer Debt Collection Workshop are well versed in Debt Collection law and processes. DCBA will ensure that the workshop will offer a 30 minute informational PowerPoint detailing the collections process prior to and during litigation, along with information on post judgment issues. The presentation will be followed by a question and answer period. All participants will be offered the opportunity to meet one-on-one with one of the workshop facilitators for counseling regarding specific concerns relating to debt collection. Participants will be made aware that no direct assistance will be provided in regards to the completion of answers to a Summons and Complaint for collection, no legal advice will be provided and no attorney-client relationship is formed as part of the Workshop. Participant may be provided with referrals for assistance with answering the Summons and Complaint, may be provided with self-help materials to allow them to answer the Summons and Complaint on their own, and may be provided referrals for debt collection counseling and mediation.

4. DCBA, along with LASOC and the Court, will administer intake and scheduling procedures for those who wish to sign up for the workshop and those who attend the workshop.
5. Provide LASOC with information and materials provided to DCBA by Court, or reasonably available to DCBA, to assist LASOC in its performance under this MOU including, but not limited to, announcements, bulletins, directives, instructions and forms relating to the State Bar of California's Legal Services Trust Fund Program- Equal Access Fund Partnership Grant.
6. Provide LASOC with information which will enable it to prepare and submit reports to the Court and State Bar. Provide LASOC with reasonable notice of all reporting deadlines under the State Bar of California's Legal Services Trust Fund Program- Equal Access Fund Partnership Grant and/or LASOC's MOU with the Court so that LASOC may timely submit reports as required under the Grant.

**E. Distribution of Funds to DCBA**

1. In consideration of the various provisions of this MOU, DCBA will receive from LASOC the total sum of up to \$21,600 to be paid as invoiced on a monthly basis with each invoice to be paid within thirty (30) days of the date of LASOC's receipt of funds from the State Bar of California pursuant to the Partnership grant.
2. Each month that DCBA provides the agreed upon service will be compensated at a rate of \$2,100 per month.

**F. Indemnification**

LASOC agrees to indemnify, defend, and hold harmless DCBA and the County of Los Angeles, and their respective elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to defense costs and attorney's fees, arising from or connected with claims, lawsuits for damages, and/or Worker's Compensation benefits relating to LASOC staff or attorney services, which result from bodily injury, death, personal injury, and/or property damage (including damage to LASOC property). LASOC shall not be obligated to indemnify for liability and expense arising from an act of negligence of DCBA or DCBA's staff.

DCBA agrees to indemnify, defend, and hold harmless LASOC, and their respective elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to defense costs and attorney's fees, arising from or connected with claims, lawsuits for damages, and/or Worker's Compensation benefits relating to DCBA services, which result from bodily injury, death, personal injury, and/or property damage (including damage to DCBA property). DCBA shall not be obligated to indemnify for liability and expense arising from an act of negligence of LASOC or LASOC's staff.

LASOC agrees to comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and directives and shall maintain all required licenses and permits required by law for

performing services under this MOU. LASOC shall indemnify, defend, and hold harmless DCBA and the County of Los Angeles, and their respective elected or appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, losses, damages, fees (including attorney's fees and expert witness fees), costs, and/or expenses resulting from a violation by LASOC or DCBA staff or attorney of any laws, rules, regulations, ordinances, directives, provisions, licenses, and/or permits, including but not limited to those concerning nepotism, employment eligibility, civil rights, conflict of interest, wages and hours, non-discrimination, and Federal Fair Labor Standards.

**G. General Provisions**

1. LASOC and DCBA each agree that neither is the agent of the other;
2. LASOC and DCBA agree to hold each other harmless for their respective activities;
3. LASOC and DCBA each agree to maintain the confidentiality of information provided to them;
4. DCBA agrees to make available its books and records related to this MOU upon reasonable request from LASOC to allow LASOC to respond to requests from Court or the State Bar of California;
5. LASOC shall provide Lawyer's Professional Liability Insurance to cover all work performed under this agreement at the following level: \$1,000,000.00 per each claim and \$1,000,000.00 in the aggregate;
6. LASOC shall provide fidelity bond coverage;
7. DCBA as part of the County of Los Angeles consents to self-insure;
8. This MOU may be terminated by either party on sixty (60) days written notice delivered to the address set forth below; and
9. Each person signing below represents and warrants that she or he has the authority to sign on behalf of hers or his organization.

<i>LASOC Contact</i>	<i>DCBA Contact</i>
<b>Name: Robert J. Cohen</b>	<b>Name: Wendy Myring</b>
<b>Title: Executive Director</b>	<b>Title: Administrative Services Manager</b>
<b>Phone: (714) 571-5233</b>	<b>Phone: (213) 974-9756</b>
<b>Address: 2101 N. Tustin Ave., Santa Ana CA 92705</b>	<b>Address: 500 W. Temple St. Room B-96, Los Angeles CA 90012</b>
<b>Fax: (714) 571-5270</b>	<b>Fax: (213) 687-4826</b>
<b>Email: bcohen@legal-aid.com</b>	<b>Email: wmyring@DCBA.lacounty.gov</b>

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 Robert J. Cohen, Executive Director  
 Legal Aid Society of Orange County

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 [DATE]

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 Brian Stiger, Director  
 County of Los Angeles Department of Consumer and Business Affairs

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 [DATE]