



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

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Chief Executive Officer

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Fifth District

- REVISED -

November 16, 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:

**AGREEMENT WITH SAS INSTITUTE, INC. FOR THE ENTERPRISE LINKAGES  
PROJECT COMMENCING WITH THE ADULT LINKAGES PROJECT  
(ALL DISTRICTS AFFECTED) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( ) [optional]**

**SUBJECT**

This letter requests delegated authority for the Chief Executive Officer or his designee to execute an Agreement with SAS Institute, Inc. (SAS) for the Enterprise Linkages Project (ELP), commencing with the Adult Linkages Project (ALP) Solution, which includes implementation and maintenance of SAS software to identify the Department of Public Social Services (DPSS) General Relief (GR) recipients who are heavy users of County services, for a term of ~~five (5)~~ three (3) years with ~~three (3)~~ two (2) optional one-year extensions.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and authorize the Chief Executive Officer or his designee to finalize and execute a sole source Agreement with SAS, substantially similar to Attachment I, for a contract term of ~~five (5)~~ three (3) years (Initial Term) with ~~three (3)~~ two (2) optional one-year extension periods (Extended Term), at County's sole option, for a total maximum Agreement amount of ~~\$3,300,000~~ \$2,200,000 (Contract Sum), effective November 30, 2010 or date of Board of Supervisors' approval, whichever is later. Pursuant to the terms of the Agreement, as part of the ELP, SAS will: (i) implement and maintain the ALP Solution utilizing the ELP system, including SAS software, in a system environment hosted by SAS for the

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

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- identification of the DPSS GR recipients who are heavy users of County services;
- (ii) upgrade and migrate the Chief Executive Office's (CEO's) Service Integration Branch's (SIB's) existing SAS information technology (IT) infrastructure, including the SAS software (Analytics Solution), to the SAS hosted system environment;
  - and (iii) establish a foundation for expanding the ELP beyond the ALP Solution to linkages projects for other departments and public assistance programs in an effort to eliminate redundancies and reduce the need for certain types of services.
2. Delegate authority to the Chief Executive Officer or his designee to prepare and execute amendments or other contract modifications as needed to implement this Agreement, and to extend the ELP beyond the ALP Solution to other linkages projects upon approval by County Counsel and the Chief Information Office (CIO).
  3. Approve and authorize the use of \$600,000 from the Information Technology Fund (ITF), (see Attachment II, ALP-ITF Funding Document), to acquire software licenses, first year implementation and hosting services to implement the ALP Solution.

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

The purpose of the ELP is to: (i) implement and maintain the ALP Solution utilizing the ELP system, including SAS software, in a system environment hosted by SAS in order to identify the GR recipients who are heavy users of County services; (ii) as part of the Analytics Solution, upgrade and migrate SIB's existing SAS IT infrastructure, including the SAS software, to the SAS hosted system environment; and (iii) establish a foundation for expanding the ELP beyond the ALP Solution to linkages projects for other departments and public assistance programs in an effort to eliminate redundancies and reduce the need for certain types of services.

On October 6, 2009, the Board directed the CEO and DPSS to expand the ALP Pilot previously implemented by SAS pursuant to a Delegated Authority Agreement (DAA) in order to provide the County with the capacity for real-time identification of individual GR recipients who are heavy users of other services provided by County departments. This Agreement will provide for the expansion of the ALP Pilot to the ALP Solution as part of the ELP, thereby complying with the Board's directive to identify GR recipients who are heavy users of County services in order to provide targeted services and interventions to this population.

The ALP Pilot was developed by SIB and DPSS in collaboration with several County departments who provided the data utilized by the ALP Pilot. The ALP Pilot has received both external and internal validation in the way of an award from Computerworld and recognition as a critically successful solution from the Board of

Supervisors, Quality and Productivity Commission, and the National Association of Counties. Completion of the ALP Pilot in 2009 resulted in the implementation of a SAS data warehouse, which linked information on participants in the GR program with information on the services provided to GR recipients by several County departments. The data warehouse also contains information on the cost incurred by each County department providing these services. ALP Pilot was utilized to produce an evidence-based analysis on the GR population's patterns of service utilization and service costs.

Under the ALP Pilot, each time an analysis of the service utilization history of participants in a specific County program is required (e.g., foster care children, homeless families, etc), a new data collection and linkage process across several County departments is needed, which consumes a significant amount of time and resources. Additionally, the current data warehouse platform is not accessible to departments through a web-enabled interface.

The ALP Solution, using ELP technology, will allow for identification of GR recipients who are heavy users of other services (social services, law enforcement, medical, and mental health services) provided by the County. This will make it possible for County case management staff to provide heavy service users with targeted services that eliminate redundancies, link GR recipients with services in a more efficient manner and reduce the need for certain types of services, all of which should result in significant cost avoidance for the departments providing the services to GR participants. The provision of these targeted services is also expected to boost the number of GR recipients either gaining employment or being approved for Supplemental Security Income, thereby leading to additional cost avoidance across County departments.

In order to share data, a Master MOU was executed on July 15, 2009 among departments participating in ALP. As ELP will make some modifications to the ALP data linkage methodology to allow authorized users to view information, CEO is developing a new Master Memorandum of Agreement (MOA) for data sharing among departments participating in ELP. The new MOA will define the terms of sharing data and ensure the protection of confidential information. It will also establish the parameters of informed consent for GR participants and users of the system. County Counsel's approval as to form will be obtained prior to execution.

The Departments of Community and Senior Services, Children and Family Services, Health Services, Mental Health, Public Health, Probation and the Sheriff will participate in the ELP for the ALP Solution by providing data on the cost and services provided to GR participants. DPSS will provide program data on all GR participants and will access ELP through a web-based interface, enabling authorized social workers to identify GR recipients who are heavy users of other services provided by County departments.

Under the Agreement, upon County's election and mutual agreement of the parties, the

ELP may be expanded beyond the ALP Solution to linkage projects for other departments by incorporating data from other County programs and services as another data mart in ELP. This option would require adding end-user interfaces to allow web-based access to departments electing to participate and could include additional costs.

The ELP is consistent with the currently approved Department Business Automation Plan. The ELP's technical solution complies with both the County of Los Angeles IT Directions and preferred County IT Standards. SIB will administer and monitor this project by tracking cost avoidance as well as measuring expected decreases in redundant services by heavy users of program resources.

### **Implementation of Strategic Plan Goals**

The recommendations are consistent with the principles of the Countywide Strategic Plan Goal No. 1, Operational Effectiveness, and Goal No. 2, Children, Family and Adult Well-Being, through the use of technology to promote information sharing to maximize the effectiveness of delivery and cost avoidance by reducing redundancies in services.

### **FISCAL IMPACT/FINANCING**

The total maximum Contract Sum for the entire term of the Agreement, including the Extended Term of up to ~~three (3)~~two (2) additional optional years, is ~~\$3.3~~\$2.2 million, which includes approximately 10 percent of the price of the required goods and services, allocated as pooled dollars, for optional work to be provided by SAS upon County's request.

Total cost for the first year implementation of the ELP will be \$687,131 with \$600,000 provided by the CIO's Information Technology Fund (ITF) grant, and the remaining amount, \$87,131, will be funded by SIB for a portion of SIB's existing SAS software licenses. Of the first year costs, \$637,086 would be allocated to SAS for the implementation and maintenance of the hosted environment, migration of SIB's existing SAS IT infrastructure to the SAS hosted environment, the price of any new and upgraded SAS software licenses and implementation services associated with the ALP Solution and the Analytics Solution. The balance of the ITF grant in the amount of \$50,045 will be utilized by SIB to assist in the implementation of the ELP.

For years two (2) through ~~eight (8)~~five (5) of the Agreement term, the price of maintaining the ELP following implementation, including annual SAS software renewal fees, system hosting and support services and any optional services and/or new SAS software licenses and license upgrades, will be offset by annual DPSS funding and SIB. SIB is funding a portion of the costs as the software will be used for various Countywide projects. Approximately 72 percent of the costs will be subvented through DPSS and 28 percent will be funded through previously allocated general funds.



The rates CIO negotiated for bundling the software and services needed for ELP are reasonable, for example, the new software if purchased separately would cost \$900,000, through this agreement the County will obtain it for \$500,000. Under SIB's current maintenance agreement, the estimated cost would be \$900,000 over ~~an 8-year~~ a 5-year period. With the implementation of ELP, additional software will be purchased, the server upgraded, and the system migrated to a hosted environment for an additional cost of ~~\$1.8~~ \$1.3 million over ~~eight~~ five years.

This ELP Agreement and the Data Mining Solution (DMS) agreement, for which SAS was procured, will total ~~\$7.7~~ \$6.6 million in contracts with SAS.

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

At the end of the Initial Term of ~~five (5)~~ three (3) years, the Agreement may be extended, at the County's sole option, for the Extended Term of up to ~~three (3)~~ two (2) additional years. It is anticipated that the ELP implementation, including all necessary training, will be completed during the first year of the Agreement.

Although the project specific provisions and purpose for the contract are different, the base Agreement is identical to the DMS Agreement between the County and SAS, which was approved by your Board on December 22, 2009. SAS was chosen as the contractor for DMS following the release of a Request For Proposals (RFP) and selection of SAS as the winning bid.

The Agreement contains all the latest applicable Board mandated provisions, including those pertaining to consideration of hiring qualified County employees targeted for layoffs, consideration of hiring qualified GAIN/GROW participants, contractor responsibility and debarment, defaulted property tax reduction program, County's quality assurance plan, recycled bond paper, and compliance with the Jury Service Ordinance, Safely Surrendered Baby Law and the Child Support program. In addition, SAS is required to notify the County when the Agreement term is within six (6) months from expiration and when it has reached 75 percent of the authorized Contract Sum.

The Agreement also contains certain applicable information technology provisions to protect the County in the event of SAS' deficient performance and/or breach of warranties, including, via example, intellectual property indemnification, assessment of credits against maintenance for SAS' failure to timely correct deficiencies and payment withholds. The County shall have ownership of the solutions and/or models developed by the County under the Agreement.

Consistent with the DMS Agreement and as a result of the negotiations and the business model utilized by SAS in providing the requisite work under the Agreement, the parties agreed to the contract terms as specified below.

1. Under the Agreement, the County will not assess the liquidated damages provision in light of the fact that SAS will be hosting the ELP from its location. However, SAS will still be subject to the assessment of credits by the County for failure to timely correct deficiencies as required in the Agreement.
2. While the County will have ownership of the solutions and models developed by SAS under the Agreement, the term of the license for all SAS software licenses acquired or upgraded under this Agreement is for the life of the Agreement, based on SAS' business model. To ensure successful transition of the ELP following termination or expiration of the Agreement, the County negotiated a two-year license grace period for the County to use SAS software at no cost to the County.
3. The Agreement provides for an industry standard disclaimer that limits the warranties to those specifically identified anywhere in the Agreement.
4. Any and all revisions to the standard County provisions have received concurrence from the CEO's Risk Management Branch. Either party's liability under the Agreement is capped at the maximum Contract Sum, with the exception of certain excluded acts leading to claims, such as intellectual property infringement, which are not subject to the cap.

The Agreement has been reviewed and approved as to form by County Counsel. The CIO concurs with the CEO's recommendation (see Attachment III, CIO Analysis). The CEO's Risk Management Branch has reviewed and concurs with the provisions relating to insurance and indemnification and any revisions made to such as a result of the negotiations.

### **CONTRACTING PROCESS**

On August 4, 2010, we notified your Board of our intent to enter into negotiations for a sole source Agreement with SAS for the expansion of the ALP Pilot for real-time use (see Attachment IV, Sole Source Justification). Sole source is being used as no other vendor was found that would integrate SIB's existing SAS platform used for the ALP Pilot with the core data quality and data integration technologies required to expand the ALP.

The CEO, DPSS and CIO are all in agreement that SAS is currently the only vendor capable of providing the software and services necessary for the ALP Solution and any other linkages programs to which the ELP may be expanded.

Under this Agreement, implementation of the new system will begin in January of 2011 with full implementation anticipated by the end of 2011.

The CEO has determined that this Agreement is not a Proposition A contract and is, therefore, not subject to the requirements of the Living Wage Program (County Code Chapter 2.201).

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

It is anticipated that implementation and use of the ELP, including the ALP Solution and any other linkages projects to which the ELP may be extended, will result in program efficiency and cost avoidance to the County.

**CONCLUSION**

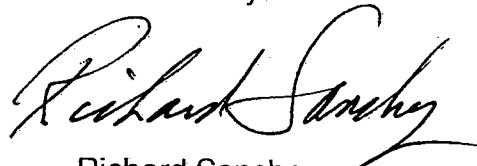
Upon your Board's approval, it is requested that the Executive Officer, Board of Supervisors, return two (2) adopted stamped Board letters to the Chief Executive Officer.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

Reviewed by:



Richard Sanchez  
Chief Information Officer

WTF:KH:  
LB:KMH:mh

Attachments (4)

- c: Executive Office, Board of Supervisors
- County Counsel
- Chief Information Office
- Children and Family Services
- Community and Senior Services
- Health Services
- Internal Services
- Mental Health
- Probation
- Public Health
- Public Social Services
- Sheriff



**AGREEMENT**  
**BY AND BETWEEN**  
**COUNTY OF LOS ANGELES**  
**AND**  
**SAS INSTITUTE INC.**  
**FOR**  
**ENTERPRISE LINKAGES PROJECT**

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**NOVEMBER 30, 2010**

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Exhibit C	Project Work Plan
Exhibit D	System Maintenance
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	Schedule D.3 IT Confidentiality and Acceptable Use Agreement
Exhibit E	Confidentiality and Assignment Agreement
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Exhibit F	Contractor's EEO Certification
Exhibit G	Administration of Agreement
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Exhibit I	Charitable Contributions Certification
Exhibit J	Contractor Employee Jury Service

**AGREEMENT  
BETWEEN  
COUNTY OF LOS ANGELES  
AND  
SAS INSTITUTE INC.  
FOR  
ADULT LINKAGES PROJECT**

This Agreement is made and entered into this 30<sup>th</sup> day of November, 2010, by and between the County of Los Angeles (hereinafter "County") and SAS Institute Inc. (hereinafter "Contractor"), a North Carolina corporation, with a principal place of business at 100 SAS Campus Drive, Cary, NC 27513.

**RECITALS**

WHEREAS, upon County's request, Contractor has agreed to provide and maintain the System for the Enterprise Linkages Project (ELP) and other related Work, as specified in and pursuant to the terms of this Agreement; and

WHEREAS, Contractor is qualified by reason of software ownership, experience and necessary resources to provide to County the Work contemplated by this Agreement; and

WHEREAS, County is authorized by California Government Code sections 26227 and 31000 to contract for good and services, including the Work contemplated herein.

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein and for good and valuable consideration, County and Contractor agree to the following:

**1. APPLICABLE DOCUMENTS AND DEFINITIONS**

**1.1 INTERPRETATION**

The provisions of this Agreement (hereinafter "Base Agreement"), along with Exhibits A, B, C, D, E, F, G, H, I and J including all Attachments and Schedules thereto, all attached hereto and described in this Paragraph 1.1 below and incorporated herein by reference, collectively form and throughout and hereinafter are referred to as the "Agreement". In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule or the contents or description of any task, subtask, deliverable, goods, service or other Work, or otherwise, between this Base Agreement and the Exhibits, Attachments and Schedules or between the Exhibits, Attachments and Schedules, such conflict or inconsistency shall be resolved by giving precedence first to this Base Agreement, and then to the Exhibits, Attachments and Schedules according to the following descending priority:

Exhibit A – Statement of Work

Attachment A.1 – System Requirements

Attachment A.2 – System Configuration

Attachment A.3 – Acceptance Certificate

Attachment A.4 – Participating Entities

Exhibit B – Schedule of Payments

Schedule B.1 – Software Schedule

Schedule B.2 – Optional Work

Exhibit C – Project Work Plan

Exhibit D – System Maintenance

Schedule D.1 – County's Remote Access Policies

Schedule D.2 – LA County Extranet IT Security Standards

Schedule D.3 – IT Confidentiality and Acceptable Use Agreement

Exhibit E – Confidentiality and Assignment Agreement

Schedule E.1 – Non-Disclosure Agreement

Exhibit F – Contractor's EEO Certification

Exhibit G – Administration of Agreement

Exhibit H – Safely Surrendered Baby Law

Exhibit I – Charitable Contributions Certification

Exhibit J – Contractor Employee Jury Service

As with respect to the Exhibits and the Attachments and Schedules attached thereto, precedence first shall be given to the Exhibits, and then to the associated Attachments or Schedules, as applicable.

In the event of any contradiction, conflict or inconsistency between prior statements of requirements and a later County approved Deliverable, the contradiction, conflict or inconsistency shall be resolved in favor of the latest County approved Deliverable, unless determined otherwise by County's Project Director.

## 1.2 ENTIRE AGREEMENT

This Base Agreement, together with the Recitals and all Exhibits, Attachments and Schedules (collectively referred to herein as "Agreement"), as further defined in Paragraph 1.1 (Interpretation) above, constitutes the complete and exclusive statement of understanding between the parties and supersedes all previous and contemporaneous agreements, whether written or oral, and any and all communications and negotiations between the parties relating to the subject matter of this Agreement.

## 1.3 DEFINITIONS

The terms and phrases in this Paragraph 1.3 in quotes and with initial letter capitalized, where applicable, shall have the meanings set forth below when used in this Agreement, throughout and hereafter.

### 1.3.1 ACCEPTANCE

As used herein, the term "Acceptance" shall mean County's written approval of any tasks, subtasks, deliverables, goods, services or other Work, including Acceptance Tests, provided by Contractor to County pursuant to this Agreement.

1.3.2 ACCEPTANCE CERTIFICATE

As used herein, the term "Acceptance Certificate" shall mean a County signed and approved Acceptance Certificate for all Work performed under this Agreement containing the requirements of Attachment A.3 (Acceptance Certificate), as further specified in Paragraph 2.4 (Approval of Work). After the Acceptance Certificate is fully executed, Contractor may invoice County for payment.

1.3.3 ACCEPTANCE TEST

As used herein, the term "Acceptance Test" shall mean any one of the System Test, User Acceptance Test and Final Acceptance Test, conducted by Contractor or County, as applicable, in accordance with Exhibit A (Statement of Work).

1.3.4 ADDITIONAL INTERFACES

As used herein, the term "Additional Interfaces" shall mean Interfaces and related Documentation, which Contractor may provide following Go-Live upon County's request therefor as Customizations in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work), which will update Schedule B.2 (Optional Work). Once accepted and approved by County, Additional Interfaces shall become part of, and be deemed, System Software for the purpose of this Agreement.

1.3.5 ADDITIONAL MODIFICATIONS

As used herein, the term "Additional Modifications" shall mean modifications to the Application Software, and related Documentation, which Contractor may provide following Go-Live upon County's request therefor as Customizations in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work), which will update Schedule B.2 (Optional Work). Once accepted and approved by County, Additional Modifications shall become part of, and be deemed, System Software for the purpose of this Agreement.

1.3.6 ADDITIONAL SOFTWARE

As used herein, the term "Additional Software" shall mean those software modules and related Documentation, including licenses for additional software products and tools, third party software and any other software modules or tools, which Contractor may provide following Go-Live upon County's request therefor in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work), which will update Schedule B.2 (Optional Work). Once accepted and approved by County, Additional Software shall become part of, and be deemed, System Software for the purpose of this Agreement.

1.3.7 ADDITIONAL TRAINING

As used herein, the term "Additional Training" shall mean the Training regarding the System, which Contractor may provide following Go-Live upon County's request therefor as Professional Services in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work), which will update Schedule B.2 (Optional Work).

1.3.8 AGREEMENT

As used herein, the term "Agreement" shall be the Base Agreement, along with all Exhibits, Attachments and Schedules thereto, as executed between County and Contractor, setting forth all of the terms and conditions of the parties, as further specified in Paragraph 1.2 (Entire Agreement).

1.3.9 ALP LIVE

As used herein, the term "ALP Live" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.10 ALP SOLUTION

As used herein, the term "ALP Solution" shall mean the system of Application Software modules licensed by Contractor to County under this Agreement.

1.3.11 AMENDMENT

As used herein, the term "Amendment" shall have the meaning specified in Paragraph 4.3 (Amendments).

1.3.12 ANALYTICS LIVE

As used herein, the term "Analytics Live" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.13 ANALYTICS SOLUTION

As used herein, the term "Analytics Solution" shall mean the system of Application Software modules, data, algorithms and the analytical solutions developed and utilized by County using such Application Software modules for County's business purposes.

1.3.14 ANNUAL FEES

As used herein, the term "Annual Fee(s)" shall mean the annual fees to be paid by County to Contractor commencing upon first anniversary of the Effective Date and shall include License Renewal Fees and System Support Fees, as specified in Exhibit B (Schedule of Payments).

1.3.15 APPLICATION MODIFICATIONS

As used herein, the term "Application Modifications" shall mean Software Updates, Software Enhancements and any Replacement Product provided by Contractor to County under this Agreement. Once accepted and approved by County, Application Modifications shall become part of, and be deemed, System Software for the purpose of this Agreement.

1.3.16 APPLICATION SOFTWARE

As used herein, the term "Application Software" shall mean all Baseline Application, Application Modifications, Third Party Software and Interfaces, including Server Software and Client Software, accepted and approved by County, and related Documentation, provided by Contractor pursuant to this Agreement.

1.3.17 BASE AGREEMENT

As used herein, the term "Base Agreement" shall have the meaning specified in Paragraph 1.1 (Interpretation) above.

1.3.18 BASELINE APPLICATION

As used herein, the term "Baseline Application" shall mean software and other tools, including Core Software, Baseline Modifications and Baseline Interfaces, and related Documentation, provided by Contractor pursuant to this Agreement as part of the Application Software, which shall meet some or all of the System Requirements.

1.3.19 BASELINE INTERFACES

As used herein, the terms "Baseline Interfaces" shall mean User Interfaces and Data Interfaces, and related Documentation, provided by Contractor pursuant to this Agreement as part of the Baseline Application, which shall meet some or all of the System Requirements.

1.3.20 BASELINE MODIFICATIONS

As used herein, the terms "Baseline Modifications" shall mean programming modifications to the Core Software, and related Documentation, provided by Contractor pursuant to this Agreement as part of the Baseline Application, which shall meet some or all of the System Requirements.

1.3.21 BOARD OF SUPERVISORS; BOARD

As used herein, the terms "Board of Supervisors" and "Board" shall mean County's Board of Supervisors, which is the governing body of County.

1.3.22 BUSINESS CONTINUITY

As used herein, the term "Business Continuity" shall mean the degree to which an organization may achieve uninterrupted stability of systems and operational procedures.

1.3.23 BUSINESS DAY(S)

As used herein, the term "Business Day(s)", whether singular or plural, shall mean Monday through Friday, excluding County observed holidays, unless stated otherwise.

1.3.24 BUSINESS HOUR(S)

As used herein, the term "Business Hour(s)", whether singular or plural, shall mean 7:00 a.m. to 7:00 p.m. PT during Business Days.

1.3.25 CHIEF EXECUTIVE OFFICE; CEO

As used herein, the terms "Chief Executive Office" and "CEO" shall mean County's Chief Executive Office.

1.3.26 CHANGE NOTICE

As used herein, the term "Change Notice" shall have the meaning given to such term in Paragraph 4.2 (Change Notices).

1.3.27 CLIENT ENVIRONMENT

As used herein, the term "Client Environment" shall mean any client County Hardware, including workstations, on which Client Software resides.

1.3.28 CLIENT SOFTWARE

As used herein, the term "Client Software" shall mean the Application Software installed in the Client Environment.

1.3.29 COLA; COST OF LIVING ADJUSTMENT

The terms "COLA" and "Cost of Living Adjustment" shall have the meaning specified in Paragraph 8.8 (Cost of Living Adjustment).

1.3.30 COMPONENT(S)

As used herein, the term "Component(s)" shall mean, individually and collectively, each and every component of the System, including System Software, System Environment and System Data, irrespective of whether provided by County or Contractor.

1.3.31 CONFIDENTIAL INFORMATION

As used herein, the term "Confidential Information" shall mean any data or information, in any format, and includes sensitive financial information, any County Data and any other information otherwise deemed confidential by County or by applicable Federal, State or local law, as further specified in Paragraph 21 (Confidentiality and Security).

1.3.32 CONSULTING SERVICES

As used herein, the term "Consulting Services" shall mean Professional Services that Contractor may provide following Go-Live upon County's request therefor in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work), which will update Schedule B.2 (Optional Work).

1.3.33 CONTRACT SUM

As used herein, the term "Contract Sum" shall mean the total monetary amount payable by County to Contractor hereunder, as set forth in Paragraph 8.1 (Maximum Contract Sum). The Contract Sum shall not be adjusted for any costs or expenses whatsoever of Contractor.

1.3.34 CONTRACTOR

As used herein, the term "Contractor" shall have the meaning specified in the Recitals to the Agreement.

1.3.35 CONTRACTOR KEY PERSONNEL

As used herein, the term "Contractor Key Personnel" shall have the meaning specified in Paragraph 3.1 (Contractor Administration).

1.3.36 CONTRACTOR'S PROJECT DIRECTOR

As used herein, the term "Contractor's Project Director" shall have the meaning specified in Paragraph 3.2.1 (Contractor's Project Director).

1.3.37 CONTRACTOR'S PROJECT MANAGER

As used herein, the term "Contractor's Project Manager" shall have the meaning specified in Paragraph 3.2.2 (Contractor's Project Manager).

1.3.38 CORE SOFTWARE

As used herein, the term "Core Software" shall mean any or all of Contractor's software modules including Existing Software and New Software, and related Documentation, provided by Contractor pursuant to this Agreement as of the Effective Date in order to meet the System Requirements.

1.3.39 COUNTY

As used herein, the term "County" shall mean the County of Los Angeles, California.

1.3.40 COUNTY DATA

As used herein, the term "County Data" shall mean all data and information provided or owned by County, whether stored on-line or off-line, including any derivatives thereof, which will be used by Contractor for providing Work under this Agreement.

1.3.41 COUNTY HARDWARE

As used herein, the term "County Hardware" shall mean all County owned computers and other equipment that will be used in conjunction with any Contractor provided hardware as part of the System Environment for the provision of Work pursuant to this Agreement.

1.3.42 COUNTY KEY PERSONNEL

As used herein, the term "County Key Personnel" shall have the meaning specified in Paragraph 2.1 (County Administration).

1.3.43 COUNTY MATERIALS

As used herein, the term "County Materials" shall have the meaning specified in Paragraph 16.1 (County Materials).

1.3.44 COUNTY'S PROJECT ADMINISTRATOR

As used herein, the term "County's Project Administrator" shall have the meaning specified in Paragraph 2.2.1 (County's Project Administrator).

1.3.45 COUNTY'S PROJECT DIRECTOR

As used herein, the term "County's Project Director" shall have the meaning specified in Paragraph 2.2.2 (County's Project Director).

1.3.46 COUNTY'S PROJECT MANAGER

As used herein, the term "County's Project Manager" shall have the meaning specified in Paragraph 2.2.3 (County's Project Manager).

1.3.47 CUSTOMIZATIONS

As used herein, the term "Customizations" shall mean Additional Modifications and Additional Interfaces, and related Documentation, which Contractor may provide following



Go-Live upon County's request therefor in the form of Optional Work in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work).

1.3.48 DATA AGENCY

As used herein, the term "Data Agency" shall mean a public agency, other than a County department, authorized by County to access the System pursuant to the terms of this Agreement and listed in Attachment A.4 (Participating Entities).

1.3.49 DATA DEPARTMENT

As used herein, the term "Data Department" shall mean a County department authorized by County to access the System pursuant to the terms of this Agreement and listed in Attachment A.4 (Participating Entities).

1.3.50 DATA ENTITY

As used herein, the term "Data Entity" shall mean Data Department or Data Agency, as applicable.

1.3.51 DATA INTERFACES

As used herein, the terms "Data Interfaces" shall mean data interfaces, and related Documentation, provided by Contractor pursuant to this Agreement as part of the Baseline Application, which shall meet some or all of the System Requirements.

1.3.52 DATA WAREHOUSE

As used herein, the term "Data Warehouse" shall mean an implemented and interfaced with the System informational database used to store sharable data sourced from an operational database-of-record.

1.3.53 DAY(S)

As used herein, the term "day(s)", whether singular or plural, shall mean calendar day(s).

1.3.54 DEFICIENCY; DEFICIENCIES

As used herein, the term "Deficiency(ies)", whether singular or plural, shall mean and include any defect(s) in the design, development, implementation, materials and/or workmanship; error(s), omission(s) and/or deviation(s) from published and/or mutually agreed upon standards; deviation(s) from any of the requirements or any County approved deliverables or Specifications under the Agreement; and/or other problems which result in the System, or any System Component, not performing in compliance with the provisions of this Agreement, including, but not limited to, the Specifications and System Requirements, including System Performance Requirements.

1.3.55 DEFICIENCY CREDITS

As used herein, the term "Deficiency Credits" shall mean credits or any other form of discount to be applied to the applicable Maintenance Fees for Contractor's failure to timely correct Deficiencies, as specified in Exhibit D (System Maintenance).

- 1.3.56 DELIVERABLE; DELIVERABLE  
As used herein, the terms "Deliverable" and "deliverable" shall mean any item and/or service provided or to be provided by Contractor under this Agreement, including numbered Deliverables in Exhibit A (Statement of Work) and those specified in any Scope of Work.
- 1.3.57 DEPARTMENT  
As used herein, the term "Department" shall have the same meaning as "Chief Executive Office".
- 1.3.58 DEPARTMENT OF PUBLIC SOCIAL SERVICES; DPSS  
As used herein, the terms "Department of Public Social Services" and "DPSS" shall mean County's Department of Public Social Services.
- 1.3.59 DEV/TEST SERVER  
As used herein, the term "Dev/Test Server" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).
- 1.3.60 DIRECTOR  
As used herein, the term "Director" shall mean County's Chief Executive Officer or designee.
- 1.3.61 DISABLING DEVICE  
As used herein, the term "Disabling Device" shall have the meaning specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance).
- 1.3.62 DISASTER  
As used herein, the term "Disaster" shall have the meaning specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance).
- 1.3.63 DISPUTE RESOLUTION PROCEDURE  
As used herein, the term "Dispute Resolution Procedure" shall mean the provisions of Paragraph 53 (Dispute Resolution Procedure) describing the procedure for resolving the disputes arising under or with respect to this Agreement.
- 1.3.64 DOCUMENTATION  
As used herein, the term "Documentation" shall mean any and all written and electronic materials provided or made available by Contractor under this Agreement, including, but not limited to, documentation relating to software specifications and functions, training course materials, Specifications including System Requirements, technical manuals, handbooks, flow charts, technical information, reference materials, user manuals, operating manuals, quick reference guides, FAQs, and all other instructions and reference materials relating to the capabilities, operation, installation and use of the System and/or applicable Components.
- 1.3.65 DOWNTIME  
As used herein, the term "Downtime" shall mean that period of time when the System or any System Component, due to any Deficiency, fails to function, and as a result, County is unable to utilize the System in accordance with the Specifications, including System Requirements

and System Performance Requirements, and this Agreement, as further defined in Section 1.2 (Definitions) of Exhibit D (System Maintenance).

1.3.66 DUE DATE

As used herein, the term "Due Date" shall mean the due date for the completion of any Deliverable in the Project Work Plan or any Scope of Work.

1.3.67 EFFECTIVE DATE

As used herein, the term "Effective Date" shall mean the date of execution of this Agreement by the authorized representative(s) of County and Contractor.

1.3.68 ENTERPRISE LINKAGES PROJECT; ELP

As used herein, the terms "Enterprise Linkages Project" and "ELP" shall have the same meaning as "Project".

1.3.69 EXISTING ENVIRONMENT

As used herein, the term "Existing Environment" shall mean SIB's existing IT software infrastructure, consisting of programs, logic files and data files, for the Analytics Solution, which shall be migrated by Contractor to the Hosting Environment pursuant to the terms of this Agreement, including Exhibit A (Statement of Work).

1.3.70 EXISTING SOFTWARE

As used herein, the term "Existing Software" shall mean the Core Software modules licensed by Contractor to County under any Prior Agreement, and related Documentation, which shall meet some or all of the System Requirements.

1.3.71 EXTENDED TERM

As used herein, the term "Extended Term" shall have the meaning specified in Paragraph 7.2 (Extended Term).

1.3.72 EXTERNAL DATA

As used herein, the term "External Data" shall mean Contractor provided data to be used in the Adult Linkages Project, which is obtained from external sources, e.g. telephone company data records, geographic system information sources and other statistical reporting services.

1.3.73 FINAL ACCEPTANCE

As used herein, the term "Final Acceptance" shall mean County's written approval in accordance with the terms of this Agreement of Deliverable 5.4 (Final Acceptance) of Exhibit A (Statement of Work).

1.3.74 FINAL ACCEPTANCE TEST

As used herein, the term "Final Acceptance Test" shall mean the Acceptance Test conducted in accordance with Subtask 5.4 (Conduct Final Acceptance Test) of Exhibit A (Statement of Work).

1.3.75 FIXED HOURLY RATE

As used herein, the term "Fixed Hourly Rate" shall mean the hourly rate, specified in Exhibit B (Schedule of Payments), for Professional Services, including Consulting Services, Additional Training and Customizations, which Contractor may provide following Go-Live upon County's request therefor in the form of Optional Work in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work).

1.3.76 FTP SITE

One or more servers on the Internet for maintaining copying of files using File Transfer Protocol (FTP).

1.3.77 GENERAL RELIEF; GR

As used herein, the terms "General Relief" and "GR" shall mean a County funded public assistance program that provides financial assistance to indigent adults who are ineligible for financial assistance under federal or State programs.

1.3.78 GO-LIVE

As used herein, the term "Go-Live" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.79 GO-LIVE PLAN

As used herein, the term "Go-Live Plan" shall mean a plan for achieving Go-Live, as further specified in Exhibit A (Statement of Work).

1.3.80 HELP DESK

As used herein, the term "Help Desk" shall mean Contractor's help desk or other point of contact for providing Support Services to County hereunder, as further defined in Section 1.3 (Definitions) of Exhibit A (Statement of Work) and Exhibit D (System Maintenance).

1.3.81 HOSTING ENVIRONMENT

As used herein, the term "Hosting Environment" shall mean the Server Environment provided, hosted and maintained by Contractor pursuant to the terms of this Agreement, including Exhibit D (System Maintenance).

1.3.82 HOSTING SITE

As used herein, the term "Hosting Site" shall mean site of the Hosting Environment, as further specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.83 IMPLEMENTATION COST

As used herein, the term "Implementation Cost" shall mean the License Fees and the cost of System Implementation, as specified in Exhibit B (Schedule of Payments).

1.3.84 INITIAL TERM

As used herein, the term "Initial Term" shall have the meaning specified in Paragraph 7.1 (Initial Term).

1.3.85 INTERFACES

As used herein, the term "Interfaces" shall mean the set of software mechanisms, consisting of Baseline Interfaces and Additional Interfaces, which may be provided by Contractor under this Agreement, which allow the transfer of electronic data and/or software commands between computer systems, networks, applications or modules, and related Documentation.

1.3.86 KEY DELIVERABLE

As used herein, the term "Key Deliverable" shall mean a Deliverable marked on Exhibit C (Project Work Plan) as "Key".

1.3.87 KNOWLEDGE TRANSFER

As used herein, the term "Knowledge Transfer" shall mean all information describing the ELP provided by Contractor to County, as further specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.88 LICENSE

As used herein, the term "License" shall have the meaning specified in Paragraph 10.2 (License).

1.3.89 LICENSE FEES

As used herein, the term "License Fee(s)" shall mean the fees for the License to be paid by County to Contractor over the period of System Implementation, as specified in Exhibit B (Schedule of Payments).

1.3.90 LICENSE RENEWAL FEES

As used herein, the term "License Renewal Fee(s)" shall mean the fees to be paid by County to Contractor for the renewal of the License commencing on the first anniversary of the Effective Date, as specified in Exhibit B (Schedule of Payments).

1.3.91 MAINTENANCE FEES

As used herein, the term "Maintenance Fee(s)" shall mean the applicable fees to be paid by County to Contractor for System Maintenance pursuant to Exhibit B (Schedule of Payments) and shall include any or all of the following: License Renewal Fees and/or System Support Fees.

1.3.92 MAINTENANCE SERVICES

As used herein, the term "Maintenance Services" shall have the meaning specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance) and shall comprise part of System Maintenance provided by Contractor under this Agreement.

1.3.93 MAXIMUM FIXED PRICE

As used herein, the term "Maximum Fixed Price" shall mean the maximum amount to be paid by County to Contractor for any Optional Work approved by County to be provided by Contractor in accordance with Task 8 (Optional Work) of Exhibit A (Statement of Work).

1.3.94 MIGRATION PLAN

As used herein, the term "Migration Plan" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.95 NEW SOFTWARE

As used herein, the term "New Software" shall mean the Core Software modules licensed by Contractor to County for the first time under this Agreement, and related Documentation, which shall meet some or all of the System Requirements.

1.3.96 OBJECT CODE

As used herein, the term "Object Code" shall mean a code expressed in machine language, which is normally an output of a given translation process that is ready to be executed by a computer.

1.3.97 OPERATING SOFTWARE

As used herein, the term "Operating Software" shall mean any third party software and/or tools, and related Documentation, provided by Contractor pursuant to this Agreement as part of the System Environment.

1.3.98 OPTIONAL TERM

As used herein, the term "Optional Term" shall mean any extension of time beyond the maximum Extended Term specified in Paragraph 7.2 (Extended Term), to which parties may agree by executing an Amendment to the Agreement in accordance with Paragraph 4.3 (Amendments).

1.3.99 OPTIONAL WORK

As used herein, the term "Optional Work" shall mean Software Enhancements and/or Professional Services, which may be provided by Contractor to County following Go-Live upon County's request and approval in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work) and identified appropriately in Schedule B.2 (Optional Work).

1.3.100 PARTICIPATING ENTITY

As used herein, the term "Participating Entity" shall mean the CEO or any User Agency, User Department, Data Agency or Data Department that may be authorized to access or utilize the System, as applicable, pursuant to the terms of this Agreement, including those set forth in Attachment A.4 (Participating Entities).

1.3.101 POOL DOLLARS

As used herein, the term "Pool Dollars" shall mean the maximum amount allocated under this Agreement for the provision by Contractor of Optional Work, including Software Enhancements and Professional Services approved by County in accordance with the terms of this Agreement.

1.3.102 PORTALS

As used herein, the term "Portal(s)" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.103 PRIOR AGREEMENT

As used herein, the term "Prior Agreement" shall mean any prior or existing agreement between County and Contractor pursuant to which County licensed the Existing Software, as further specified in Paragraph 1.4 (Prior Agreements).

1.3.104 PRODUCTION ENVIRONMENT

As used herein, the term "Production Environment" shall mean the System Environment set up by Contractor for Production Use of the System pursuant to Subtask 5.3 (Transition to Production Environment) of Exhibit A (Statement of Work).

1.3.105 PRODUCTION SERVER

As used herein, the term "Production Server" shall mean the primary Contractor provided System Hardware used for all Work under this Agreement.

1.3.106 PRODUCTION USE

As used herein, the term "Production Use" shall mean the actual use of the System in the Production Environment on the Production Server for the performance of County's operations commencing from the point of Go-Live.

1.3.107 PROFESSIONAL SERVICES

As used herein, the term "Professional Services" shall mean Consulting Services, Additional Training and/or Customizations, which Contractor may provide following Go-Live upon County's request therefor in the form of Optional Work in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work).

1.3.108 PROJECT

As used herein, the term "Project" shall mean all Licenses, System implementation, migration of the Analytics Solution from the Existing Environment to the Hosting Environment, System hosting, maintenance and support, including the ALP Solution, the Analytics Solution and any other solutions that may be provided by Contractor under this Agreement, as further specified in this Agreement, Exhibit A (Statement of Work) and Exhibit D (System Maintenance).

1.3.109 PROJECT CONTROL DOCUMENT; PCD

As used herein, the terms "Project Control Document" and "PCD" shall mean a detailed project plan for the implementation of the System provided by Contractor pursuant to Deliverable 1.1 (Project Control Document) of Exhibit A (Statement of Work), which shall serve as the basis for, and appropriately update, Exhibit C (Project Work Plan).

1.3.110 PROJECT WORK PLAN

As used herein, the term "Project Work Plan" shall mean the agreed upon timeline for System Implementation Tasks, Subtasks and Deliverables specified in Exhibit A (Statement of Work), as identified as Exhibit C (Project Work Plan).

1.3.111 PROPRIETARY RIGHTS

As used herein, the term "Proprietary Rights" shall mean all legal and equitable rights, including all copyrights, patent rights, trade secrets, trademarks, confidential and proprietary information rights, moral rights and all rights and title in and to the structure, sequence and organization of a work of authorship, and all rights in and to any code, materials, pictures, interfaces, screen displays and audio visual displays and presentations.

1.3.112 REPLACEMENT PRODUCT

As used herein, the term "Replacement Product" shall have the meaning specified in Paragraph 13.3 (Continuous Product Support).

1.3.113 RESOLUTION TIME

As used herein, the term "Resolution Time" shall mean the period of time from County's notification of a Deficiency to Contractor to its correction in accordance with Exhibit D (System Maintenance).

1.3.114 RESPONSE TIME

As used herein, the term "Response Time" shall mean the acceptable time period within which Contractor shall respond to County following County's report of any Deficiency, as set forth in Exhibit D (System Maintenance).

1.3.115 SCHEDULE OF PAYMENTS

As used herein, the term "Schedule of Payments" shall mean prices for Deliverables, rates and other fees identified as Exhibit B (Schedule of Payments), including all Schedules thereto.

1.3.116 SCOPE OF WORK

As used herein, the term "Scope of Work" shall mean the terms of any Optional Work agreed upon by the parties to be provided by Contractor using Pool Dollars, as specified in Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work).

1.3.117 SERVER ENVIRONMENT

As used herein, the term "Server Environment" shall mean the System Environment provided by Contractor in which the Server Software shall be installed and operate.

1.3.118 SERVER SOFTWARE

As used herein, the term "Server Software" shall mean the Application Software installed in the Server Environment.



1.3.119 SEVERITY LEVEL; SL

As used herein, the terms "Severity Level" and "SL" shall mean the problem severity levels for correction of Deficiencies, as specified in Exhibit D (System Maintenance).

1.3.120 SERVICE INTEGRATION BRANCH; SIB

As used herein, the terms "Service Integration Branch" and "SIB" shall mean Service Integration Branch of the CEO.

1.3.121 SOFTWARE ENHANCEMENTS

As used herein, the term "Software Enhancements" shall mean Customizations, including Additional Modifications and Additional Interfaces, and/or Additional Software, which Contractor may provide following Go-Live upon County's request therefor in the form of Optional Work in accordance with Paragraph 5.4 (Optional Work) and Task 8 (Optional Work) of Exhibit A (Statement of Work).

1.3.122 SOFTWARE UPDATES

As used herein, the term "Software Update(s)", whether singular or plural, shall mean and include any additions to and/or replacements to the Application Software, available or made available subsequent to Final Acceptance, and shall include all Application Software performance and functionality enhancement releases, new Version Releases, System Software upgrades, improvements, interim updates, including fixes and patches, Deficiency corrections, and modifications to the Application Software, including those required for the System Software to remain in compliance with applicable Federal and State laws and regulations and the terms of this Agreement, provided by Contractor in accordance with Exhibit D (System Maintenance), with all Schedules thereto.

1.3.123 SPECIFICATIONS

As used herein, the term "Specifications" shall mean any or all of the following, as applicable:

1. All specifications, requirements and standards set forth in Attachment A.1 (System Requirements) and all reports specifications included as Deliverables in Exhibit A (Statement of Work);
2. All System Performance Requirements and standards set forth in this Agreement, including, but not limited to, requirements for System availability and System response time identified in Exhibit D (System Maintenance);
3. The Documentation, to the extent not inconsistent with any of the foregoing in this definition;
4. All specifications identified as such by Contractor, including, but not limited to, the Project Work Plan and the Project Control Document, but only to the extent: (i) not inconsistent with any of the foregoing in this Paragraph; and (ii) acceptable to County in its sole discretion;
5. All System Environment requirements and certifications provided by Contractor in accordance with this Agreement with respect to the System, including the System Environment configuration identified in Attachment A.2 (System Configuration); and
6. All written and/or electronic materials furnished by or through Contractor regarding the Application Software or the System, including functionality, features, capacity, availability, response times, accuracy or any other performance or other System criteria or any element of the System or any System Component.

1.3.124 STATE

As used herein, the term "State" shall mean the State of California.

1.3.125 STATEMENT OF WORK; SOW

As used herein, the terms "Statement of Work" and "SOW" shall mean the work to be provided by Contractor pursuant to this Agreement identified in terms of Tasks, Subtasks and Deliverables in Exhibit A (Statement of Work).

1.3.126 STATUS REPORT

As used herein, the term "Status Report" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.127 SUPPORT HOURS

As used herein, the term "Support Hours" shall have the meaning specified in Exhibit D (System Maintenance).

1.3.128 SUPPORT SERVICES

As used herein, the term "Support Services" shall have the meaning specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance) and shall comprise part of System Maintenance provided by Contractor under this Agreement.

1.3.129 SYSTEM

As used herein, the term "System" shall mean all System Environment, System Data, Internet services, System Software and Optional Work Components described in this Agreement, including the ALP Solution, the Analytics Solution and any other solutions that may be

provided by Contractor under this Agreement, collectively comprising the Enterprise Linkages Project or ELP. Reference to the System may include one or more components or modules thereof or the entire System.

1.3.130 SYSTEM ACCESS

As used herein, the term "System Access" shall mean access to the System during the hours of operation 24 hours per day, 7 days per week, 365/366 days per year.

1.3.131 SYSTEM AVAILABILITY

As used herein, the term "System Availability" shall mean the percentage of time during any month of System Maintenance when the System does not experience any Downtime and all System Components are available to County, as further specified in Attachment A.1 (System Requirements) and Exhibit D (System Maintenance).

1.3.132 SYSTEM DATA

As used herein, the term "System Data" shall mean all data residing on or utilized by the System, including County Data and External Data, whether provided by County or Contractor during the term of this Agreement.

1.3.133 SYSTEM ENVIRONMENT

As used herein, the term "System Environment" shall mean System Hardware, System Network and Operating Software Components, including Server Environment and Client Environment, provided by County in accordance with Contractor's specifications or by Contractor, as applicable, as set forth in Attachment A.2 (System Configuration).

1.3.134 SYSTEM HARDWARE

As used herein, the term "System Hardware" shall mean the Production Server and Dev/Test Server and other equipment provided by Contractor for the System and performance of Work pursuant to this Agreement.

1.3.135 SYSTEM IMPLEMENTATION

As used herein, the term "System Implementation" shall mean System Environment setup and configuration, migration of the Existing Environment to the Hosting Environment, installation of System Software including Application Software, Acceptance Tests, System Training and other Work to be provided by Contractor pursuant to Exhibit A (Statement of Work) up to and including Final Acceptance.

1.3.136 SYSTEM MAINTENANCE

As used herein, the term "System Maintenance" shall have the meaning specified in Paragraph 5.3 (System Maintenance).

1.3.137 SYSTEM MAINTENANCE PLAN

As used herein, the term "System Maintenance Plan" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.138 SYSTEM NETWORK

As used herein, the term "System Network" shall mean the networking Component of System Environment, as specified in Attachment A.2 (System Configuration).

1.3.139 SYSTEM PERFORMANCE DEFICIENCY

As used herein, the term "System Performance Deficiency" shall mean failure by the System to meet any of the System Performance Requirements, as specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance).

1.3.140 SYSTEM PERFORMANCE REQUIREMENTS

As used herein, the term "System Performance Requirements" shall mean the performance requirements for the System, including System Availability and System Response Time as specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance) and Attachment A.1 (System Requirements).

1.3.141 SYSTEM PERFORMANCE WARRANTY

As used herein, the term "System Performance Warranty" shall mean Contractor's warranty to meet System Performance Requirements as specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance).

1.3.142 SYSTEM REQUIREMENTS

As used herein, the term "System Requirements" shall mean business, operational, technical and/or functional requirements relating to the operation or utilization of the System, including System Performance Requirements, as further specified in Attachment A.1 (System Requirements).

1.3.143 SYSTEM RESPONSE TIME

As used herein, the term "System Response Time" shall mean the time elapsed from the entry of a query at a workstation to the time the workstation fully displays the complete results, excluding the time spent sending the request from the web server and receiving the result of the request from the web server back to the web browser, as specified in Attachment A.1 (System Requirements) and Exhibit D (System Maintenance).

1.3.144 SYSTEM SOFTWARE

As used herein, the term "System Software" shall mean Application Software and any Operating Software, including any Third Party Products, and related Documentation, provided under this Agreement by County in accordance with Contractor's specifications or by Contractor, as applicable, as further specified in Attachment A.2 (System Configuration).

1.3.145 SYSTEM SOLUTION

As used herein, the term "System Solution" shall mean and refer to any of the solutions developed or designed by County using any Application Software licensed by Contractor to County under this Agreement or any Prior Agreement, including solutions developed using the Analytics Solution, the ALP Solution or any other software sets or solutions that may be provided by Contractor under this Agreement.

1.3.146 SYSTEM SUPPORT FEES

As used herein, the term "System Support Fee(s)" shall mean the fees to be paid by County to Contractor for System Maintenance, excluding License Renewal Fees, as specified in Exhibit B (Schedule of Payments).

1.3.147 SYSTEM TEST

As used herein, the term "System Test" shall mean shall mean the Acceptance Test conducted by Contractor in accordance with Subtask 5.1 (Conduct System Test) of Exhibit A (Statement of Work).

1.3.148 SYSTEM TRAINING

As used herein, the term "System Training" shall mean the Training to be provided by Contractor pursuant to Subtask 6.1 (System Training) of Exhibit A (Statement of Work) and as otherwise required for System Implementation.

1.3.149 SYSTEM UPGRADE

As used herein, the term "System Upgrade" shall have the meaning specified in Section 1.2 (Definitions) of Exhibit D (System Maintenance).

1.3.150 TASK; TASK; SUBTASK; SUBTASK

As used herein, the terms "Task", "task", "Subtask" and "subtask" shall mean any one of the areas of work to be performed under this Agreement, including those identified as numbered Tasks and Subtasks in Exhibit A (Statement of Work).

1.3.151 TEST ENVIRONMENT

As used herein, the term "Test Environment" shall mean the non-production System Environment set up by Contractor pursuant to Task 2 (Hosting Environment) of Exhibit A (Statement of Work) for Application Software implementation, Acceptance Tests and System Training.

1.3.152 TEST PLAN

As used herein, the term "Test Plan" shall mean a plan for conducting any of the Acceptance Tests, as further specified in Exhibit A (Statement of Work).

1.3.153 THIRD PARTY PRODUCT

As used herein, the term "Third Party Product" shall mean any third party product, software and/or tool, including Third Party Software and Operating Software, and related Documentation, provided by Contractor pursuant to this Agreement as part of the System Software in order to meet the System Requirements.

1.3.154 THIRD PARTY SOFTWARE

As used herein, the term "Third Party Software" shall mean any third party software and/or tools, and related Documentation, provided by Contractor pursuant to this Agreement as part of the Application Software in order to meet the System Requirements.

1.3.155 TRAINING

As used herein, the term "Training" shall mean training relating to the System to be provided by Contractor pursuant to this Agreement, including Knowledge Transfer, consisting of System Training and Additional Training .

1.3.156 TRANSITION LICENSE

As used herein, the term "Transition License" shall mean the License to Application Software granted by Contractor to County following termination or expiration of this Agreement, as further specified in subparagraph 1 of Paragraph 10.2.3 (Scope of License).

1.3.157 TRANSITION PERIOD

As used herein, the term "Transition Period" shall have the meaning specified in Paragraph 10.2.2 (License Term).

1.3.158 TRANSITION PLAN; ELP TRANSITION PLAN

As used herein, the terms "Transition Plan" and "ELP Transition Plan" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.159 TRANSITION SUPPORT; ELP TRANSITION SUPPORT

As used herein, the terms "Transition Support" and "ELP Transition Support" shall have the meaning specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.160 USER; USER

As used herein, the terms "User" and "user" shall mean any person or entity authorized by County, whether by SIB or DPSS, to access or use the System pursuant to this Agreement.

1.3.161 USER ACCEPTANCE TEST; UAT

As used herein, the terms "User Acceptance Test" and "UAT" shall mean any of the Acceptance Tests conducted by County and supported by Contractor in accordance with Subtask 5.2 (Support User Acceptance Test) of Exhibit A (Statement of Work).

1.3.162 USER AGENCY

As used herein, the term "User Agency" shall mean a public agency, other than a County department, authorized by County to utilize the System pursuant to the terms of this Agreement.

1.3.163 USER DEPARTMENT

As used herein, the term "User Department" shall mean a County department authorized to utilize the System pursuant to the terms of this Agreement, including the CEO and DPSS.

1.3.164 USER ENTITY

As used herein, the term "User Entity" shall mean User Department or User Agency, as applicable.

1.3.165 USER INTERFACES

As used herein, the term "User Interfaces" shall mean end-user interfaces, and related Documentation, provided by Contractor pursuant to this Agreement as part of the Baseline Application, which shall meet some or all of the System Requirements.

1.3.166 VERSION RELEASE

As used herein, the term "Version Release" shall mean Contractor's Application Software major version upgrade which contains new software functionalities and features and/or system compatibilities, including any Replacement Product.

1.3.167 VIRTUAL PRIVATE NETWORK; VPN

As used herein, the terms "Virtual Private Network" and "VPN" shall mean a network established over a carrier's digital phone lines and dedicated solely to connecting several specific lines.

1.3.168 WARRANTIES

As used herein, the term "Warranties" shall mean the warranties regarding Contractor's performance under the Agreement, including the System, as further specified in Section 4 (Warranties) of Exhibit D (System Maintenance).

1.3.169 WARRANTY PERIOD

As used herein, the term "Warranty Period" shall have the meaning set forth in Paragraph 13.1 (System Warranties), as further specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.170 WEB

As used herein, the term "Web" shall mean a software system designed to support interoperable computer interactions over a network.

1.3.171 WEB-SERVER HOSTING

As used herein, the term "Web-Server Hosting" shall mean System operation at a physical location that houses the dedicated servers, hardware and networks for the Enterprise Linkages Project and provides direct Web access to the internet, as further specified in Subtask 2.2 (Install Hosting Environment) of Exhibit A (Statement of Work).

1.3.172 WORK

As used herein, the term "Work" shall mean any and all tasks, subtasks, deliverables, goods, services and other work provided, or to be provided, by or on behalf of Contractor pursuant to this Agreement, including System Components, System Implementation services, System Maintenance and Optional Work, as further specified in Section 1.3 (Definitions) of Exhibit A (Statement of Work).

1.3.173 WORK PRODUCT

As used herein, the term "Work Product" shall have the meaning set forth in Paragraph 10.1.5 (Work Product).

1.4 PRIOR AGREEMENTS

As used in this Agreement, the term "Prior Agreement" shall mean and refer to any prior or existing on the Effective Date agreement between the parties for licensing by Contractor to County any of the Application Software functionalities also licensed under this Agreement. To the extent this Agreement specifically provides for Licenses for Application Software functionalities previously licensed under any Prior Agreement, County and Contractor shall terminate each such Prior Agreement with respect to the Application Software functionalities licensed hereunder, and the terminated portion of each such Prior Agreement shall be deemed superseded by this Agreement.

2. **ADMINISTRATION OF AGREEMENT – COUNTY**

2.1 COUNTY ADMINISTRATION

All persons administering this Agreement on behalf of County and listed in this Paragraph 2 below (hereinafter "County Key Personnel") are listed in Section I (County Key Personnel) of Exhibit G (Administration of Agreement). Unless otherwise specified, reference to each of the persons listed in such Section I (County Key Personnel) of Exhibit G (Administration of Agreement) shall also include his/her designee. County will notify Contractor in writing of any change in the names and/or addresses of County Key Personnel.

No member of County Key Personnel is authorized to make any changes in any of the terms and conditions of this Agreement other than those specifically authorized under Paragraph 4 (Changes to Agreement).

2.2 COUNTY KEY PERSONNEL

2.2.1 COUNTY'S PROJECT ADMINISTRATOR

County's Project Administrator will be responsible for ensuring that the objectives of this Agreement are met and shall monitor Contractor's compliance with the terms and conditions of this Agreement. County's Project Administrator will also be responsible for monitoring Contractor's performance under the Agreement and for ensuring the support, planning, documentation, time recording, cost monitoring, budget, billing, evaluation and performance indicators are met.

2.2.2 COUNTY'S PROJECT DIRECTOR

County's Project Director will be responsible for ensuring that the objectives of this Agreement are met. County's Project Director will have the right at all times to inspect any and Work provided by or on behalf of Contractor.

2.2.3 COUNTY'S PROJECT MANAGER

County's Project Manager will be responsible for ensuring that the technical, business and operational standards and requirements of this Agreement are met and the System is properly implemented in accordance with Exhibit A (Statement of Work) to meet the System Requirements set forth in Attachment A.1 (System Requirements) and other Specifications under this Agreement. County's Project Manager will interface with Contractor's Project Manager on a regular basis. County's Project Manager will report to County's Project Director regarding Contractor's performance with respect to technical standards and functional performance.



2.3 COUNTY PERSONNEL

All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County. Contractor hereby represents that its price, Project Work Plan and performance hereunder are based solely on the work of Contractor's personnel, except as otherwise expressly provided in this Agreement.

2.4 APPROVAL OF WORK

All Tasks, Subtasks, Deliverables, including Key Deliverables, and other Work provided by Contractor under this Agreement must have the written approval of County's Project Director as described in this Paragraph 2.4. Upon completion of each Deliverable, Contractor shall fully complete a Task Deliverable Acceptance Certificate (hereinafter "Acceptance Certificate"), as set forth in Attachment A.3 (Acceptance Certificate), submit it to County's Project Manager for his/her review, approval and signature. In the event that County's Project Manager approves such Acceptance Certificate and the Work described therein, County's Project Manager will then sign such Acceptance Certificate and forward it to County's Project Director for his/her review, approval and signature. Each Acceptance Certificate must have the approval of County's Project Director, as evidenced by County's Project Director's signature on the applicable Acceptance Certificate before Contractor can invoice for payment. In no event shall County be liable or responsible for any payment prior to such written approval. Furthermore, County reserves the right to reject any Work not approved by County in accordance with this Paragraph 2.4.

3. **ADMINISTRATION OF AGREEMENT – CONTRACTOR**

3.1 CONTRACTOR ADMINISTRATION

All persons administering this Agreement on behalf of Contractor and listed in this Paragraph 3 below (hereinafter "Contractor Key Personnel") are listed in Section II (Contractor Key Personnel) of Exhibit G (Administration of Agreement). All staff employed by and/or behalf of Contractor, including the persons listed in such Section II (Contractor Key Personnel) of Exhibit G (Administration of Agreement), shall be adults who are fully fluent in both spoken and written English. Contractor shall notify County in writing of any change in the names and/or addresses of Contractor Key Personnel.

3.2 CONTRACTOR KEY PERSONNEL

3.2.1 CONTRACTOR'S PROJECT DIRECTOR

Contractor's Project Director shall be responsible for Contractor's performance of all its tasks, subtasks and other Work and ensuring Contractor's compliance with this Agreement. Contractor's Project Director shall meet and confer with County's Project Director on a regular basis, at least monthly, to review project progress and discuss project coordination. Such meetings shall be conducted via teleconference or at a time and place agreed to by County's Project Director and Contractor's Project Director.

3.2.2 CONTRACTOR'S PROJECT MANAGER

Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Agreement and for reporting to County in the manner set forth in Paragraph 3.7 (Reports by Contractor). Contractor's Project Manager shall interface with County's

Project Manager on a regular basis and shall be available during Business Days for telephone contact and/or to meet with County personnel regarding the operation of this Agreement, as required by County's Project Director.

### 3.3 APPROVAL OF CONTRACTOR'S STAFF

- 3.3.1 County has the right to review each member or proposed member of Contractor's staff performing work under this Agreement, including, but not limited to, Contractor Key Personnel, prior to and during their performance of any work hereunder. County's Project Director may request replacement of any member of Contractor's staff performing, or offering to perform, work hereunder, including, but not limited to, Contractor Key Personnel, by providing in writing a reasonable request for such removal. Contractor shall provide County with a resume of each such proposed initial staff member, including, but not limited to, Contractor Key Personnel, and proposed replacement prior to his/her performance of any Work hereunder. Contractor shall have thirty (30) days from the date of County's written request to replace such staff.
- 3.3.2 In addition, Contractor shall use best efforts to ensure continuity over time of the membership of the group constituting Contractor's staff, including, but not limited to, Contractor Key Personnel. If necessary, Contractor shall promptly fill any staff vacancy with personnel having qualifications at least equivalent to those of the staff member(s) being replaced.
- 3.3.3 In fulfillment of its responsibilities under this Agreement, Contractor shall utilize, and permit utilization of, only staff fully trained and experienced, and as appropriate, licensed or certified in the technology, trades, tasks and subtasks required by this Agreement. Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner.
- 3.3.4 In the event Contractor should ever need to remove any staff from performing work under this Agreement, Contractor shall provide County with notice at least fifteen (15) days in advance, except in circumstances in which such notice is not possible, and shall work with County on a mutually agreeable transition plan so as to provide an acceptable replacement and ensure project continuity.

### 3.4 RULES AND REGULATIONS

- 3.4.1 During the time when Contractor's employees, subcontractors or agents are at County facilities, such persons shall be subject to the applicable rules and regulations of County facilities. It is the responsibility of Contractor to acquaint such persons, who are to provide Work, with such rules and regulations. In the event that County determines that an employee, subcontractor or agent of Contractor has violated any applicable rule or regulation, County shall notify Contractor, and Contractor shall undertake such remedial or disciplinary measures as Contractor determines appropriate. If the problem is not thereby corrected, then Contractor shall permanently withdraw its employee, subcontractor or agent from the provision of Work upon receipt of written notice from County that: (i) such employee, subcontractor or agent has violated such rules or regulations; or (ii) such employee's, subcontractor's or agent's actions, while on County premises, indicate that the employee, subcontractor or agent may adversely affect the provision of Work. Upon

removal of any employee, subcontractor or agent, Contractor shall immediately replace the employee, subcontractor or agent and continue uninterrupted Work hereunder.

- 3.4.2 All Contractor employees who are receiving public assistance shall meet their reporting responsibilities to County. All of Contractor's employees shall maintain the confidentiality of all records obtained from County under the Agreement in accordance with all applicable County, State and federal laws, ordinances, regulations and directives relating to confidentiality, under state law, including without limitations, Welfare & Institutions Code, Section 10850 et seq. Further, such Contractor's employees shall not have any access to County's records of friends, relatives, business relations, personal acquaintances, tenants, or any other individuals whose relationship could reasonably influence his conduct or performance on the job. Limiting access to these records includes, not allowing individuals access to information that could be used to determine eligibility for public assistance. Further, Contractor's employees shall not be able to transmit computer data, nor be able to obtain physical possession of case documents.

### 3.5 CONTRACTOR'S STAFF IDENTIFICATION

- 3.5.1 Contractor, at Contractor's cost, shall provide all staff assigned to this Agreement a visible photo identification badge in accordance with County specifications. Identification badge specifications may change at the sole discretion of County, and Contractor will be provided new specifications as required. The format and content of the badge is subject to County's approval prior to Contractor implementing the use of the badge. Contractor's staff, while on duty or when entering a County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.
- 3.5.2 Contractor shall notify County within one (1) Business Day when staff is terminated from work under this Agreement. Contractor is responsible to retrieve and immediately destroy the staff's County-specified photo identification badge at the time of removal from Work under this Agreement.
- 3.5.3 If County requests the removal of Contractor's staff, Contractor is responsible to retrieve and immediately destroy Contractor staff's County photo identification badge at the time of removal from work under this Agreement.

### 3.6 BACKGROUND AND SECURITY INVESTIGATIONS

- 3.6.1 All Contractor staff performing Work under this Agreement shall undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing Work under this Agreement. Contractor may conduct its own background checks, provided that they comply with County's requirements, as acknowledged by County's Project Manager or designee. County acknowledges that Contractor has provided information detailing Contractor's background check procedures and that the same are acceptable hereunder. If Contractor's procedures for background checks materially change, Contractor shall provide County with revised procedures for County's acceptance and acknowledgment thereof. All fees associated with obtaining the background information, in addition to the background checks conducted by Contractor to County's satisfaction, shall be borne by County.

3.6.2 County may immediately, in its sole discretion, deny or terminate facility access to any Contractor's staff, including subcontractor staff, who do not pass such background investigation(s) to the satisfaction of County and/or whose background or conduct is incompatible with County's facility access.

3.6.3 Disqualification, if any, of Contractor's staff, including subcontractor staff, pursuant to this Paragraph 3.6 shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Agreement.

### 3.7 REPORTS BY CONTRACTOR

In addition to any reports required elsewhere pursuant to this Agreement, in order to control expenditures and to ensure the reporting of all Work provided by Contractor, Contractor shall provide to County's Project Manager as frequently as requested by County's Project Manager, but in no event more frequently than weekly, written reports which shall include, at a minimum, the following information:

1. Period covered by the report;
2. Overview of the reporting period;
3. Tasks, subtasks, deliverables, goods, services and other Work scheduled for the reporting period which were completed;
4. Tasks, subtasks, deliverables, goods, services and other Work scheduled the reporting period which were not completed;
5. Tasks, subtasks, deliverables, goods, services and other Work not scheduled for but completed in the reporting period.
6. Tasks, subtasks, deliverables, goods, services and other Work scheduled to be completed in the next reporting period;
7. Issues resolved and to be resolved;
8. Summary of project status as of reporting date;
9. Updated Key Deliverable chart; and
10. Any other information which County may from time-to-time require.

## 4. **CHANGES TO AGREEMENT**

### 4.1 GENERAL

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations or conditions of this Agreement, except through the procedures set forth in this Paragraph 4. County reserves the right to change any portion of the Work required under this Agreement and to any other provisions of this Agreement. All such changes shall be accomplished only as provided in this Paragraph 4.

### 4.2 CHANGE NOTICES

For any change requested by County which does not affect the scope of Work, term, payments, or any term or condition of this Agreement, including expenditure of Pool Dollars, a written notice of such change (hereinafter "Change Notice") shall be prepared and executed

by County's Project Director. County's Project Director is specifically authorized to add Data Entities and User Entities to the Agreement using Pool Dollars, to the extent there is a sufficient amount of Pool Dollars remaining.

4.3 AMENDMENTS

Except as otherwise provided in this Agreement, for any change requested by County that affects the scope of Work, term, payments, or any term or condition included in this Agreement, which may include addition of User Entities, a negotiated written Amendment to this Agreement shall be prepared and executed by County's Board of Supervisors and Contractor's authorized representative(s).

4.4 PROJECT WORK PLAN

As a result of completion of Deliverable 1.1 (Project Control Document) of Exhibit A (Statement of Work), a Project Work Plan will be derived for the Work relating to System Implementation as described in Exhibit A (Statement Work), which shall update Exhibit C (Project Work Plan). Changes to the Project Work Plan shall be made upon mutual agreement, in writing, by County's Project Director and Contractor's Project Director by Change Notice or otherwise, provided that County's Project Director's and Contractor's Project Director's agreement to alter the Project Work Plan shall not prejudice either party's right to claim that such alterations constitute an Amendment to this Agreement that shall be governed by the terms of Paragraph 4.3 (Amendments) above.

4.5 EXTENSIONS OF TIME

Notwithstanding any other provision of this Paragraph 4, to the extent that extensions of time for Contractor performance do not impact either the scope of Work or cost of this Agreement, County's Project Director, in his/her sole discretion, may grant Contractor extensions of time in writing for the work listed in the applicable sequentially numbered Exhibit C (Project Work Plan), provided such extensions shall not exceed a total of six (6) months beyond Final Acceptance.

4.6 BOARD ORDERS

Notwithstanding any other provision of this Paragraph 4 or Paragraph 23 (Termination for Convenience), Director shall take all appropriate action to carry out any orders of County's Board of Supervisors relating to this Agreement, which directly impact the System or the budget allocated the System or the Agreement, and, for this purpose, Director is authorized to: (i) issue written notice(s) of partial or total termination of this Agreement pursuant to Paragraph 23 (Termination for Convenience) without further action by County's Board of Supervisors and/or (ii) prepare and execute Amendment(s) to this Agreement, which shall reduce the scope of Work and the Contract Sum without further action by County's Board of Supervisors.

4.6.1 Such notices of partial or total termination shall be authorized under the following conditions:

1. Notices shall be in compliance with all applicable Federal, State and County laws, rules, regulations and ordinances, and publicly known guidelines and directives.
2. Director shall obtain the approval of County Counsel for any notice.
3. Director shall file a copy of all notices with the Executive Office of County's Board of Supervisors and County's Chief Executive Office within thirty (30) days after execution of each notice.

4.6.2 Such Amendments shall be authorized under the following conditions:

1. Amendments shall be in compliance with all applicable Federal, State, and County laws, rules, regulations and ordinances, and publicly known guidelines and directives.
2. County's Board of Supervisors has appropriated sufficient funds for purposes of such Amendments and this Agreement.
3. Director shall obtain the approval of County Counsel for any Amendment.
4. Director shall file a copy of all Amendments with the Executive Office of County's Board of Supervisors and County's Chief Executive Office within fifteen (15) days after execution of each Amendment.

#### 4.7 FACSIMILE

Except for the parties' initial signatures to this Agreement, which must be provided in "original" form and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each party, when appearing in appropriate places on the Change Notices prepared pursuant to this Paragraph 4 and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices to this Agreement, such that the parties need not follow up facsimile transmissions of such documents by subsequent (non-facsimile) transmissions of "original" versions of such documents.

### 5. **SCOPE OF WORK**

In exchange for County's payment to Contractor any fees and applicable taxes arising under the Agreement and invoiced by Contractor, Contractor shall on a timely basis (a) provide, complete, deliver and implement all Work set forth in this Agreement and in Exhibits A (Statement of Work) and D (System Maintenance), including, but not limited to, System Software License, System Hardware, System Implementation services, System Maintenance and any Optional Work; (b) grant to County a limited License to any Work Product, as specified in Paragraph 10.1.5 (Work Product) and (c) grant ownership to County of the Components of the System Solution described in Paragraph 10.1.4 (System Solution), subject to the provisions of Paragraph 10.1 (System Ownership). Contractor shall perform all such tasks, subtasks, deliverables, goods, services and other Work in accordance with Exhibit A (Statement of Work), including all Attachments thereto, and Exhibit D (System Maintenance) including all Schedules thereto, at the applicable rates and prices specified in Exhibit B (Schedule of Payments), including all Schedules thereto.

#### 5.1 SYSTEM COMPONENTS

Contractor shall provide all System Software License and all System Environment Components with the exception of County Hardware, if any, including System Hardware and applicable System Network, in order to meet the System Requirements, in accordance with

the provisions of Paragraph 10 (System Ownership and License). In addition, Contractor shall certify that the County Hardware is capable of meeting the System Performance Requirements, as provided in Exhibit A (Statement of Work), including Attachment A.1 (System Requirements).

## 5.2 SYSTEM IMPLEMENTATION

Contractor shall provide System Implementation services, including System setup, installation, testing, training and other services through Final Acceptance of the System required for successful implementation of the ELP, as specified in Exhibit A (Statement of Work).

Contractor and County will amend Attachment A.2 (System Configuration) in order to (i) add new System Software modules and/or Components; (ii) revise the System Software descriptions, and (iii) update the System Software and module version numbers, provided, however, no System Software module or Component may be removed from or added to Attachment A.2 (System Configuration) except in accordance with this Agreement, including Subtask 2.2 (Install Hosting Environment) of Exhibit A (Statement of Work), and upon approval of County's Project Director. All such changes to Attachment A.2 (System Configuration) shall be provided in accordance with Paragraph 4 (Changes to Agreement).

## 5.3 SYSTEM MAINTENANCE

Contractor shall provide to County services relating to the maintenance and support of the System, consisting of Maintenance Services and Support Services including System hosting, as provided in, and in accordance with, Exhibit D (System Maintenance) and this Agreement (hereinafter "System Maintenance"). System Maintenance obligations shall commence upon the earlier of the Go-Live date or the first anniversary of the Effective Date and shall continue during the Warranty Period and throughout the term of this Agreement.

Upon termination or expiration of this Agreement, Contractor shall provide to County a no cost Transition License during the Transition Period, as provided in subparagraph 10 of Paragraph 26 (Effect of Termination).

## 5.4 OPTIONAL WORK

Upon County's request and mutual agreement pursuant to the terms of this Agreement, Contractor shall provide Optional Work using Pool Dollars, including Software Enhancements, consisting of Customizations in the form of Additional Interfaces and/or Additional Modifications, and Additional Software, and Professional Services, consisting of Consulting Services and/or Additional Training, all in accordance with Task 8 (Optional Work) of Exhibit A (Statement of Work) at the applicable pricing terms set forth in Exhibit B (Schedule of Payments). Unless specified otherwise, all Optional Work shall be provided in accordance with the agreed upon Scope of Work, including Maximum Fixed Price calculated based on the Fixed Hourly Rate, if applicable, and at the applicable pricing terms set forth in Exhibit B (Schedule of Payments). Upon completion by Contractor, and approval by County in accordance with the terms of this Agreement, of such Optional Work, Schedule B.2 (Optional Work) shall be updated accordingly to add such completed Optional Work via a Change Notice or by an Amendment, in each case, in accordance with Paragraph 4 (Changes to Agreement). Such Optional Work shall not cause an increase in the Maintenance Fees for System Maintenance under this Agreement, unless specified otherwise in the applicable Scope of Work.

Notwithstanding anything to the contrary specified in this Agreement, any Application Software Licenses and associated System Maintenance as part of the ELP acquired by County from Contractor subsequent to the Effective Date, whether in the form of Additional Software or otherwise, shall be provided by Contractor at the prices, including License Fees, License Renewal Fees and Software Support Fees, which shall be the lesser of (i) the prices and discounts applicable to the Application Software Licenses and associated System Maintenance on the Effective Date and (ii) prices for the same Application Software Licenses and associated System Maintenance extended by Contractor under similar quantity and delivery conditions to the State of California, or any county, municipality or district of the State with substantially similar requirements.

5.5 STANDARD OF SERVICES

Contractor's services and other work required by this Agreement shall during the term of the Agreement conform to reasonable commercial standards as they exist in Contractor's profession or field of practice. If Contractor's services and other work provided under this Agreement fail to conform to such standards, upon notice from County specifying the failure of performance, Contractor shall, at Contractor's sole expense, provide the applicable remedy as specified in this Agreement, including Exhibits A (Statement of Work) and D (System Maintenance). Contractor shall, at its own expense, correct any data in which (and to the extent that) errors have been caused by Contractor or malfunctions of Applications Software or by any other tools introduced by Contractor into the System for the purpose of performing services or other work under this Agreement or otherwise, provided that County backs up its data prior to Contractor's provision of any Work hereunder.

5.6 UNAPPROVED WORK

If Contractor provides any tasks, subtasks, deliverables, goods, services or other Work to County other than those specified in this Agreement, or if Contractor provides such items requiring County's prior written approval without first having obtained such written approval, the same shall be deemed to be a gratuitous effort on the part of Contractor, and Contractor shall have no claim whatsoever against County therefor.

6. **PROJECT SCHEDULE**

6.1 PROJECT WORK PLAN

Contractor shall implement the System in accordance with the Project Work Plan, set forth in Exhibit C (Project Work Plan), based upon the Project Control Document developed and delivered pursuant to Subtask 1.1 (Develop Project Control Document) of Exhibit A (Statement of Work). The Project Work Plan shall, at a minimum, include the following items:



1. Deliverable Number;
2. Description;
3. Due Date;
4. Associated Deliverable;
5. Any other items required by County under this Agreement.

## 6.2 KEY DELIVERABLES

Exhibit C (Project Work Plan) shall specify certain Deliverables as Key Deliverables, as determined by County. A Key Deliverable shall be deemed completed for purposes of this Paragraph 6.2 on the earliest date that all of the tasks, subtasks, deliverables, goods, services and other Work required for completion of such Key Deliverable are completed and delivered to County, provided that all of such Work required for completion of such Key Deliverable are thereafter approved in writing by County pursuant to Paragraph 2.4 (Approval of Work) without prior rejection by County or significant delay in County's approval thereof, which delay is the result of Contractor's failure to deliver such tasks, subtasks, deliverables, goods, services and other Work in accordance with the terms hereof. The determination of whether each Key Deliverable has been so completed and so approved, and of the date upon which such Key Deliverable was completed, shall be made by County's Project Director as soon as practicable in accordance with Paragraph 2.4 (Approval of Work) after County is informed by Contractor that such Key Deliverable has been completed and is given all the necessary information, data and documentation to verify such completion. A failure by Contractor to complete any Key Deliverable by the Due Date for such Key Deliverable (as such date may be modified pursuant to Paragraph 4 (Changes to Agreement)), including, without limitation, following delivery of a notice under Paragraph 71 (Notice of Delays), shall be subject to the provisions of Paragraph 8.3 (Termination) and Paragraph 22 (Termination for Default).

## 7. **CONTRACT TERM**

### 7.1 INITIAL TERM

The term of this Agreement shall commence upon the Effective Date and shall expire three (3) years thereafter, unless sooner terminated or extended, in whole or in part, as provided in this Agreement (hereinafter "Initial Term").

### 7.2 EXTENDED TERM

At the end of the Initial Term, County may, at its sole option, extend this Agreement for up to two (2) additional consecutive one (1) year terms (hereinafter "Extended Term"); provided that if County elects not to exercise its option to extend at the end of the Initial Term, or the Extended Term, as applicable, the remaining option(s) shall automatically lapse. County shall be deemed to have exercised its extension option(s) automatically, without further act, unless, no later than thirty (30) days prior to the expiration of the Initial Term or the Extended Term, as applicable, County notifies Contractor in writing that it elects not to extend the Agreement pursuant to this Paragraph 7.

7.3 DEFINITION OF TERM

As used throughout this Agreement, the word "term" when referring to the term of the Agreement shall include the Initial Term, the Extended Term and any Optional Term, to the extent County exercises any of its term extension options pursuant to this Paragraph 7 or otherwise.

7.4 NOTICE OF EXPIRATION

Contractor shall notify County when this Agreement is within six (6) months from the expiration of the Initial Term. Upon occurrence of this event, Contractor shall send written notification to County's Project Director at the address set forth in Section I (County Key Personnel) of Exhibit G (Administration of Agreement). Notwithstanding the foregoing, Contractor's failure to provide such notification shall not constitute a material breach of this Agreement.

8. **CONTRACT SUM**

8.1 MAXIMUM CONTRACT SUM

The Contract Sum under this Agreement shall be the total monetary amount payable by County to Contractor for supplying all the tasks, subtasks, deliverables, goods, services and other Work required or requested by County under this Agreement. All Work completed by Contractor must be approved in writing by County in accordance with Paragraph 2.4 (Approval of Work). If County does not approve work in writing, no payment shall be due Contractor for that Work. The Contract Sum, including all applicable taxes, authorized by County hereunder shall not exceed Two Million One Hundred Fifty Thousand Dollars (\$2,150,000), as further detailed in Exhibit B (Schedule of Payments), unless the Contract Sum is modified pursuant to a duly approved Amendment to this Agreement by County's and Contractor's authorized representative(s) pursuant to Paragraph 4 (Changes to Agreement). The Contract Sum under this Agreement shall cover the authorized payments for all System Components provided by Contractor, System Implementation services, System Maintenance and any Optional Work.

Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Contract Sum, including the Pool Dollars expenditures, authorized for this Agreement. Upon occurrence of this event, Contractor shall provide written notification to County's Project Director at the address set forth in Section I (County Key Personnel) in Exhibit G (Administration of Agreement). Notwithstanding the foregoing, Contractor's failure to provide such notification shall not constitute a material breach of this Agreement.

8.2 SYSTEM IMPLEMENTATION

Contractor shall provide System Implementation services in accordance with Exhibit A (Statement of Work), with all Attachments thereto, and the Base Agreement in exchange for County's payment of the applicable Implementation Cost. The Implementation Cost shall include all applicable License Fees and any and all cost of System Implementation, including all tasks, subtasks, deliverables, goods, services and other Work set forth in such Exhibit A (Statement of Work), and shall be paid by County to Contractor as specified in and in accordance with Exhibit B (Schedule of Payments), including all Schedules thereto. The

System Implementation Cost shall not exceed the amount specified in such Exhibit B (Schedule of Payments).

8.3 TERMINATION

If any Key Deliverable is not completed within thirty (30) days after the applicable Due Date, and thereafter approved in writing by County pursuant to Paragraph 2.4 (Approval of Work), other than as a result of delays caused by acts or omissions of County as determined by County's Project Director in his/her reasonable judgment, and unless County's Project Director and Contractor's Project Director have otherwise agreed, in writing, prior to such date scheduled for completion, then County may, upon notice to Contractor, terminate this Agreement for default in accordance with Paragraph 22 (Termination for Default) or for convenience in accordance with Paragraph 23 (Termination for Convenience), as determined in the sole discretion of County, subject to the cure provisions set forth in Paragraph 22 (Termination for Default).

8.4 SYSTEM MAINTENANCE

Contractor shall, during the term of this Agreement, provide to County System Maintenance services, including Maintenance Services and Support Services, in exchange for County's payment of the applicable Maintenance Fees set forth in Exhibit B (Schedule of Payments), including all Schedules thereto. For System Maintenance, County will pay Contractor the following Maintenance Fees: (i) License Renewal Fees to be paid annually in advance commencing on the first anniversary of the Effective Date and (ii) System Support Fees to be paid monthly in arrears commencing one month following expiration of the Warranty Period, as further specified in Exhibit B (Schedule of Payments), including all Schedules thereto. The Maintenance Fees shall not exceed during the term of the Agreement and the amounts specified in Exhibit B (Schedule of Payments), including all Schedule thereto.

8.5 OPTIONAL WORK

Upon the written request of County's Project Director following Go-Live made at any time and from time to time during the term of this Agreement and mutual agreement, Contractor shall provide to County Optional Work, including Software Enhancements and Professional Services, as specified in Task 8 (Optional Work) of Exhibit A (Statement of Work) at the applicable pricing terms specified in Exhibit B (Schedule of Payments). Software Enhancements shall only include those products and services relating to requirements not reflected on the Effective Date in the Specifications, including System Requirements, as determined by County's Project Director.

Upon County's request for Optional Work, Contractor shall provide to County, within ten (10) Business Days of County's request therefor, a Scope of Work, including a written quotation of a Maximum Fixed Price calculated based on the Fixed Hourly Rate, as applicable. Contractor's quotation shall be valid for at least ninety (90) days from submission. Contractor's rates for Optional Work shall be subject to the applicable pricing terms set forth in Exhibit B (Schedule of Payments) during the term of this Agreement. Contractor's Fixed Hourly Rate for Professional Services, including Customizations, as of the Effective Date, specified in Exhibit B (Schedule of Payments), shall not increase during the term of the Agreement.

Absent an Amendment in accordance with Paragraph 4 (Changes to Agreement), the Pool Dollars are the aggregate amount available during the term of this Agreement for Optional Work requested and provided following Go-Live.

In the event County and Contractor execute an Amendment to extend the term of the Agreement for any Optional Term, (i) the Maintenance Fees for any Optional Term year shall increase by the percentage of COLA from the preceding year, not to exceed three percent (3%) as specified in Schedule B.2 (Optional Work) and (ii) such Amendment shall increase, as necessary, the amount of Pool Dollars allocated for the entire term Agreement, including the Optional Term.

#### 8.6 NON-APPROPRIATION OF FUNDS

County's obligation may be limited if it is payable only and solely from funds appropriated for the purpose of this Agreement. Notwithstanding any other provision of this Agreement, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then County shall, at its sole discretion, either (i) terminate this Agreement as of June 30 of the last fiscal year for which funds were appropriated or (ii) reduce the work provided hereunder in accordance with the funds appropriated, as mutually agreed to by the parties. County will notify Contractor in writing of any such non-appropriation of funds at its election at the earliest possible date.

#### 8.7 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

In the event that County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for the reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Agreement correspondingly for that fiscal year and any subsequent fiscal year during the term of this Agreement (including any extensions), and the services to be provided by Contractor under this Agreement shall also be reduced correspondingly as mutually agreed, provided that if no mutually acceptable agreement can be reached, County and Contractor may agree for County to terminate this Agreement for convenience pursuant to Paragraph 23 (Termination for Convenience). County's notice to the Contractor regarding said reduction in payment obligations shall be provided within thirty (30) calendar days of the Board of Supervisors' approval of such actions. Except as set forth in the preceding sentence, Contractor shall continue to provide all of the services set forth in this Agreement.

#### 8.8 COST OF LIVING ADJUSTMENT

The cost of living adjustment for Services performed by Contractor under this Agreement shall be based on the increase, if any, 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 twelve (12) month period preceding the Agreement 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 County's Chief Executive Office, as of each July 1 for the prior twelve (12) month period (hereafter "Cost of Living Adjustment" or "COLA"). Where County decides to grant a Cost of Living Adjustment pursuant to this

Paragraph **Error! Reference source not found.** for living wage contracts, it may, in its sole discretion, exclude the cost of labor (including the cost of wages and benefits paid to employees providing Services under this Agreement) from the base upon which a COLA is calculated, unless Contractor can show that its labor cost will actually increase.

## 9. INVOICES AND PAYMENTS

### 9.1 INVOICES

Contractor shall invoice County in accordance with the provisions of Exhibit B (Schedule of Payments), including all Schedules thereto, for (1) for License Fees and System Implementation, based on the Deliverable amounts due, as set forth in Exhibit C (Project Work Plan), upon Contractor's completion and County's written approval of billable Deliverables; (2) for System Maintenance, by payment of the applicable Maintenance Fees; and (3) for all Optional Work, on a per Scope of Work basis by payment of the actual price expended by Contractor for the provision of Optional Work, not to exceed the Maximum Fixed Price quoted for such Optional Work following Contractor's completion and County's written approval thereof.

#### 9.1.1 SUBMISSION OF INVOICES

Contractor's invoice shall include the charges owed to Contractor by County under the terms of this Agreement as provided in Exhibit B (Schedule of Payments). All invoices and supporting documents under this Agreement shall be submitted to the person designated in Section I (County Key Personnel) of Exhibit G (Administration of Agreement) as County's Project Director at the address specified therein, with copies to respective the CEO's SIB and DPSS personnel identified in Section I (County Key Personnel) of Exhibit G (Administration of Agreement).

#### 9.1.2 INVOICE DETAILS

Each invoice submitted by Contractor shall indicate, at a minimum:

1. Agreement Name and Number;
2. The tasks, subtasks, deliverables, goods, services or other Work for which payment is claimed, including System Implementation Deliverable, System Maintenance and Optional Work;
3. The price of such tasks, subtasks, deliverables, goods, services or other Work calculated based on the pricing terms set forth in Exhibit B (Schedule of Payments) or any Scope of Work, as applicable.
4. The date of written approval of the tasks, subtasks, deliverables, goods, services or other Work by County's Project Director;
5. Indication of any applicable withhold or holdback amounts for payments claimed or reversals thereof;
6. Indication of any applicable credits due County under the terms of this Agreement or reversals thereof;
7. A copy of all applicable Acceptance Certificates signed by County's Project Director and County's Project Manager; and
8. Any other information required by County's Project Director.

#### 9.1.3 APPROVAL OF INVOICES

All invoices submitted by Contractor to County for payment shall have County's written approval as provided in this Paragraph 9.1, which approval shall not be unreasonably withheld. In no event shall County be liable or responsible for any payment prior to such written approval.

#### 9.1.4 INVOICE DISCREPANCIES

County's Project Director will review each invoice for any discrepancies and will, within thirty (30) days of receipt thereof, notify Contractor in writing of any discrepancies found upon such review and submit a list of disputed charges. Contractor shall review the disputed charges and send a written explanation detailing the basis for the charges within thirty (30) days of receipt of County's notice of discrepancies and disputed charges. If County's Project Director does not receive a written explanation for the charges within such thirty (30) day period, Contractor and County will submit to the Dispute Resolution Procedure.

All County correspondence relating to invoice discrepancies shall be sent by email, followed by hard copy, directly to County's Project Director with a copy to County's Project Administrator at the addresses specified in Section I (County's Key Personnel) of Exhibit G (Administration of Agreement).

#### 9.2 DELIVERY OF SYSTEM SOFTWARE

It is in the intent of the parties that all System Software and Documentation provided by Contractor under this Agreement, if any, including the product of System Maintenance services and any Optional Work, shall be delivered (i) in electronic format (e.g., via electronic mail or internet download) loaded by remote access, (ii) personally by Contractor staff who shall load the System Software and Documentation onto County's hardware but who will retain possession of all originals and copies of such tangible media (e.g., CD-ROM, magnetic tape, printed manuals) used to deliver the System Software and Documentation to

County, or (iii) via hosting at Contractor's facilities as set forth in Exhibit A (Statement of Work).

Any System Software and Documentation provided or delivered by Contractor to County in a tangible format shall be F.O.B. Destination. The Contract Sum shown in Paragraph 8.1 (Maximum Contract Sum) includes all amounts necessary for County to reimburse Contractor for all transportation and related insurance charges, if any, on System Software Components and Documentation procured by County from Contractor pursuant to this Agreement. All transportation and related insurance charges, if any, shall be paid directly by Contractor to the applicable carrier. Contractor shall be solely liable and responsible for, and shall indemnify, defend, and hold harmless County from, any and all such transportation and related insurance charges.

### 9.3 SALES/USE TAX

The Contract Sum shown in Paragraph 8.1 (Maximum Contract Sum) shall be deemed to include all amounts necessary for County to reimburse Contractor for all applicable California and other state and local sales/use taxes on all System Components provided by Contractor to County pursuant to or otherwise due as a result of this Agreement, including, but not limited to, the product of System Maintenance and any Optional Work, to the extent applicable. All California sales/use taxes shall be paid directly by Contractor to the State or other taxing authority.

Contractor shall be solely liable and responsible for, and shall indemnify, defend, and hold harmless County from, any and all such California and other state and local sales/use taxes. Further, Contractor shall be solely liable and responsible for, and shall indemnify, defend, and hold harmless County from, all applicable California and other state and local sales/use tax on all other items provided by Contractor pursuant to this Agreement and shall pay such tax directly to the State or other taxing authority. In addition, Contractor shall be solely responsible for all taxes based on Contractor's income or gross revenue, or personal property taxes levied or assessed on Contractor's personal property to which County does not hold title.

### 9.4 PAYMENTS

Provided that Contractor is not in material default or default related to Work under any provision of this Agreement, County will pay all invoice amounts to Contractor within thirty (30) days of receipt of invoices that have not been disputed in accordance with Paragraph 9.1.4 (Invoice Discrepancies) above. County's failure to pay within the thirty (30) day period, however, shall not be deemed as automatic invoice approval or Acceptance by County of any deliverable for which payment is sought, nor shall it entitle Contractor to impose an interest on any late payment.

### 9.5 COUNTY'S RIGHT TO WITHHOLD PAYMENT

Notwithstanding any other provision of this Agreement, and in addition to any rights of County given by law or provided in this Agreement, County may upon written notice to Contractor withhold payment for any deliverable while Contractor, with no fault of County, is in default hereunder or default related to Work.

9.6 HOLDBACKS

County will hold back ten percent (10%) of the amount of Deliverable invoices, including invoices for System Implementation excluding those containing License Fees, as further specified in Exhibit B (Schedule of Payments), submitted by Contractor under this Agreement and approved by County pursuant to Paragraph 9.1 (Invoices). The Holdbacks shall be released and payable to Contractor through Final Acceptance as provided in Exhibit B (Schedule of Payments), subject to adjustment for any amounts arising under this Agreement owed to County by Contractor, including, but not limited to, any amounts arising from Paragraphs 9.1.4 (Invoice Discrepancies), 9.5 (County's Right to Withhold Payment) and any partial termination of any Task, Subtask or Deliverable set forth in the Statement of Work as provided herein.

**10. SYSTEM OWNERSHIP AND LICENSE**

10.1 SYSTEM OWNERSHIP

10.1.1 SYSTEM ENVIRONMENT

Contractor acknowledges that County owns all System Environment Components provided by County, including County Hardware; while Contractor, or the rightful owner, shall retain ownership of all System Environment Components provided by Contractor, as specified in Attachment A.2 (System Configuration).

10.1.2 SYSTEM SOFTWARE

Except as provided in Paragraph 10.1.4 (System Solution) below, all System Software provided by Contractor to County pursuant to this Agreement, including Application Software, Operating Software and related Documentation, is and shall remain the property of Contractor or any rightful third party owner, with which all Proprietary Rights shall reside, and shall be subject to the terms of the License granted pursuant to Paragraph 10.2 (License) below.

10.1.3 SYSTEM DATA

All County Data provided or made accessible by County to Contractor, is and shall remain the property of County. All System Data provided or used by Contractor for the purpose of this Agreement, is and shall remain the property of Contractor or any rightful third party owner.

10.1.4 SYSTEM SOLUTION

All Components of the System Solution specifically designed or developed by County using the Application Software licensed by Contractor to County under this Agreement or any Prior Agreement including all source code, and related Documentation, shall be owned by County. County grants to Contractor a perpetual, non-exclusive, transferable, assignable, royalty free license to such Components but only for the purpose of fulfilling its obligations under the Agreement and to use, sublicense and create derivative works in any media now known or hereafter developed as it otherwise finds necessary.



### 10.1.5 WORK PRODUCT

Contractor shall be the sole owner of any Contractor documentation, computer code, Contractor's pre-existing algorithms, know how, information or products, tools utilized by Contractor for the project, any generic materials developed by Contractor prior to or during the course of performance of the services under the Agreement, including pull-down menus and login screens, or other materials delivered by Contractor in connection with the Work, including any intellectual property embodied therein (hereinafter collectively "Work Product"). Work Product does not include the Components of the System Solution as set forth in Paragraph 10.1.4 (System Solution) or any other County Materials specifically designed or developed by Contractor for County.

## 10.2 LICENSE

### 10.2.1 LICENSE GRANT

Subject to Paragraph 10.1 (System Ownership), Contractor grants to County a non-exclusive, non-transferable, non-assignable (except in connection with an assignment of this Agreement according to its terms) license to use the Work Product for the term of the License described in Paragraph 10.2 (License) for the System Software with which the Work Product operates. Contractor hereby grants to County a non-exclusive, non-transferable, non-assignable (except in connection with an assignment of this Agreement according to its terms) license to use the System Software and Work Product, including, without limitation, the Baseline Application, Application Modifications, Interfaces and Third Party Products, and related Documentation (hereinafter "License") by all Users in accordance with the scope set forth in Paragraph 10.2.3 (Scope of License) and subject to the restrictions set forth in Paragraph 10.2.4 (License Restrictions) during the term specified in Paragraph 10.2.2 (License Term). Notwithstanding the foregoing, upon mutual agreement of the parties, County may obtain its own license for any Component of Third Party Products, the term and scope of which shall be subject to the terms of County's agreement with the provider of such Third Party Products.

### 10.2.2 LICENSE TERM

The License granted under this Agreement shall commence upon the Effective Date, and, provided undisputed payments for such License are made as provided herein, shall continue through the term of this Agreement and for a period of two (2) years following termination of the Agreement for default or insolvency as provided in subparagraph 10 of Paragraph 26 (Effect of Termination) (hereinafter "Transition Period") at no cost to County. Notwithstanding the preceding sentence, during the Transition Period, the License shall apply to the Application Software and Work Product and will not include any Operating Software licensed to County by Contractor, unless Contractor's license for such Operating Software allows such use without additional cost to County or Contractor.

### 10.2.3 SCOPE OF LICENSE

The License granted by Contractor under this Agreement provides County with the following rights:

1. To use, install, integrate with other software, operate and execute (a) during the term of the Agreement, the System Software in the System Environment via wide area networks, including web connections, and (b) during the Transition Period, the

Application Software (hereinafter "Transition License") on a County server running an operating system that is then supported by Contractor for its customers generally, or its equivalent at the time, as further detailed in Attachment A.2 (System Configuration) and/or Schedule B.1 (Software Schedule) in the conduct of the business of County as provided in the Agreement;

2. To use, modify, copy and display the Documentation as intended by Contractor, including, but not limited to, System and User manuals, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Agreement and the License;
3. To permit third party access to the Application Software, the Documentation, or any part thereof, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Agreement and the License, including for the provision of System Maintenance services or other business use or support of the Application Software as contemplated by this Agreement;
4. Pursuant to Paragraph 69 (Assignment by County), to reproduce and use a reasonable number of copies of the System Software provided by Contractor by County and permitted assignees, for archive and backup purposes; and
5. During the term of the Agreement, to use, copy and test System Software, and specifically the Baseline Software, in the Test Environment, including for the purpose of building its own solutions or models, as mutually agreed to by the parties.

#### 10.2.4 LICENSE RESTRICTIONS

County acknowledges and agrees (i) that the System Software provided by Contractor to County under the Agreement, including related Documentation, is the confidential and copyrighted property of Contractor, or its licensors, and all rights therein not expressly granted to County are reserved to Contractor, or its licensors, as applicable; and (ii) that Contractor, or its licensors, retain all Proprietary Rights in and to the foregoing.

Subsequently, County's License to the System Software provided by Contractor hereunder is limited by the restrictions set forth in this Paragraph 10.2.4 below. In addition to any License restrictions set forth in Attachment A.2 (System Configurations) or Schedule B.1 (Software Schedule), County will not:

1. Reverse engineer, disassemble or decompile the System Software provided by Contractor;
2. Transfer, sublicense, rent, lease, convey or assign (unless resulting from an Agreement assignment under Paragraph 69 (Assignment by County)) the System Software provided by Contractor;
3. Copy or reproduce the System Software provided by Contractor in any way except as reasonably necessary for backup, archival or business continuity purposes;
4. Use the System Software provided by Contractor on a timesharing, service bureau, subscription service or rental basis for any third party;
5. Use the System Software provided by Contractor to process data for the benefit of any third parties other than for County's business use;
6. Use the System Software for any purpose other than as specified in this Agreement or for County's business use; or
7. Remove, modify or obscure any copyright, trademark or other proprietary rights notices that appear on, or during the use of, the System Software provided by Contractor.

### 10.3 PROPRIETARY RIGHTS

Subject to County's License for, and Contractor's ownership of, the Baseline Software as provided in Paragraph 10.1 (System Ownership), any source code that may be obtained by County under the provisions of this Agreement shall remain subject to every license restriction, proprietary rights protection and other County obligation specified in this Agreement. County acknowledges that any possession of source code referred to herein is also subject to the confidentiality and proprietary provisions of access to any third party.

## 11. **SYSTEM ACCEPTANCE**

### 11.1 ACCEPTANCE TESTS

County and/or Contractor, as applicable, shall conduct all tests (hereinafter "Acceptance Test(s)") specified in this Paragraph 11.1 and in Exhibit A (Statement of Work). Such Acceptance Tests shall include, without limitation, the following:

1. System Test: As set forth in Subtask 5.1 (Conduct System Test) of Exhibit A (Statement of Work), to confirm that all Components of Application Software function according to the System Requirements and other Specifications.
2. User Acceptance Test: As set forth in Subtask 5.2 (Conduct User Acceptance Test) of Exhibit A (Statement of Work), to confirm that Application Software meets all System Requirements.
3. Final Acceptance Test: As set forth in Subtask 5.4 (Conduct Final Acceptance Test) of Exhibit A (Statement of Work), to confirm that the System shall operate in the Production Environment without Deficiencies.

## 11.2 PRODUCTION USE

The System shall achieve Go-Live and be ready for Production Use when County's Project Director, or his/her designee, approves in writing Deliverable 5.3 (System Production Use) of Exhibit A (Statement of Work).

## 11.3 FINAL ACCEPTANCE

The System shall achieve Final Acceptance when County's Project Director, or his/her designee, approves in writing Deliverable 5.4 (Final Acceptance) of Exhibit A (Statement of Work). In the event the System fails to successfully achieve System Acceptance as described in Subtask 5.4 (Conduct Final Acceptance Test) of Exhibit A (Statement of Work), Contractor shall provide County with a diagnosis of the Deficiencies and proposed solution(s). County and Contractor shall agree upon all such proposed solutions prior to their implementation.

## 11.4 FAILED TESTING

- 11.4.1 If County's Project Director makes a good faith determination at any time that the System as a whole, or any Component thereof, has not successfully completed an Acceptance Test or has not achieved Final Acceptance (collectively referred to for purposes of this Paragraph 11.4 as "Designated Test"), County's Project Director shall promptly notify Contractor in writing of such failure, specifying with as much detail as possible the manner in which the System Component or the System failed to pass the applicable Designated Test. Contractor shall immediately commence all reasonable efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the System Component or the System as will permit the System Component or the System to be ready for retesting. Contractor shall notify County's Project Director in writing when such corrections, repairs and modifications have been completed, and the applicable Designated Test shall begin again. If, after the applicable Designated Test has been completed for a second time, County's Project Director makes a good faith determination that the System Component or the System again fails to pass the applicable Designated Test, County's Project Director shall promptly notify Contractor in writing, specifying with as much detail as possible the manner in which the System Component or the System failed to pass the applicable Designated Test. Contractor shall immediately commence all reasonable efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the System Component or the System as will permit the System Component or the System to be ready for retesting.
- 11.4.2 Such procedure shall continue, subject to County's rights under Paragraph 8.3 (Termination) in the event Contractor fails to timely complete any Key Deliverable, until such time as

County notifies Contractor in writing either: (i) of the successful completion of such Designated Test or (ii) that County has concluded, subject to the Dispute Resolution Procedure, that satisfactory progress toward such successful completion of such Designated Test is not being made, in which latter event, County shall have the right to make a determination, which shall be binding and conclusive on Contractor, that a non-curable default has occurred and to terminate this Agreement in accordance with Paragraph 22 (Termination for Default) on the basis of such non-curable default. In the event Contractor, using good faith effort, is unable to cure a deficiency by re-performance after two (2) attempts, County and Contractor will work together to agree on a mutually acceptable resolution, provided that if County and Contractor cannot agree on a resolution, County will terminate this Agreement for default pursuant to Paragraph 22 (Termination for Default).

11.4.3 Such a termination by County may be subject to the Dispute Resolution Procedure, either, as determined by County in its sole judgment: (i) a termination with respect to one or more of the Components of the System; or (ii) if County believes the failure to pass the applicable Designated Test materially affects the functionality, performance or desirability to County of the System as a whole, the entire Agreement. In the event of a termination under this Paragraph 11.4, County shall have the right to receive from Contractor reimbursement of all payments made to Contractor by County under this Agreement for the System Component(s) and related Deliverables as to which the termination applies, or, if the entire Agreement is terminated, all amounts paid by County to Contractor under this Agreement. If the termination applies only to one or more System Component(s), at County's sole option, any reimbursement due to it may be credited against other sums due and payable by County to Contractor. The foregoing is without prejudice to any other rights that may accrue to County or Contractor under the terms of this Agreement or by law.

## 12. SYSTEM USE

Subject to County's obligations of Acceptance set forth in Exhibit A (Statement of Work) and the Agreement, following Application Software installation by Contractor and prior to Final Acceptance by County, County shall have the right to use, in a Production Use mode, any completed portion of the System, without any additional cost to County where County determines that it is necessary for County operations. Such Production Use shall not restrict Contractor's performance under this Agreement and shall not be deemed Acceptance or Final Acceptance of the System.

## 13. WARRANTIES AND CORRECTION OF DEFICIENCIES

### 13.1 SYSTEM WARRANTIES

Contractor hereby warrants to County that the System shall be free from any and all Deficiencies commencing from Go-Live and continuing through Final Acceptance (hereinafter "Warranty Period") and for the term of the Agreement. All Deficiencies reported or discovered shall be corrected in accordance with Exhibit D (System Maintenance) at no cost to County beyond the applicable Maintenance Fees. Contractor shall meet all of the Warranties set forth in Exhibit D (System Maintenance), including but not limited to general warranties, System Warranties and System Performance Warranty.

13.2 PROBLEM RESOLUTION

Provided that County is covered by System Maintenance as provided in this Agreement, any non-conformances, breaches of warranties specified herein and other Deficiencies reported and discovered during the term of the Agreement shall be corrected in accordance with Exhibit D (System Maintenance).

13.3 CONTINUOUS PRODUCT SUPPORT

13.3.1 In the event that Contractor replaces any or all Components of the Application Software with other software modules or components (hereinafter "Replacement Product") in order to fulfill its obligations under the Agreement and to meet the System Requirements, then the License shall be deemed to automatically include such Replacement Product without cost or penalty to County, including, without limitation, if such Replacement Product contains greater functionality than the Application Software it replaced. If required by County, Contractor shall provide the necessary training to County personnel to utilize the Replacement Product at no cost to County.

13.3.2 In the event any or all Components of the Application Software are migrated to the Replacement Product as a result of an acquisition, sale, assignment, transfer or other change in control of Contractor, then any assignee or successor, by taking benefit (including, without limitation, acceptance of any payment under this Agreement) shall be deemed to have ratified this Agreement. All terms and conditions of this Agreement shall continue in full force and effect for the Replacement Product.

13.3.3 The following terms and conditions shall apply if County elects to transfer the License to a Replacement Product:

1. Contractor, or its assignee or successor, shall, at no cost to County, implement the Replacement Product in the System Environment, convert and migrate all of System Data from the Application Software format to the Replacement Product format to ensure Production Use of such Replacement Product;
2. Any prepaid Maintenance Fees for Application Software shall transfer in full force and effect for the balance of the Replacement Product's maintenance and support term (or equivalent service) at no additional cost. If the prepaid amount is greater than the Replacement Product's maintenance and support fees for the same term, the credit balance shall be applied to future Maintenance Fees or returned to County, at County's option;
3. Any and all modules offered separately and needed to match the original Application Software's level of functionality shall be supplied by Contractor, or its assignee or successor, without additional cost or penalty, and shall not affect the calculation of any Maintenance Fees;
4. Contractor shall provide to County the necessary System Training for purposes of learning the Replacement Product. Such training shall be provided at no cost to County;
5. All License terms and conditions, at a minimum, shall remain as granted herein with no additional fees imposed on County; and
6. The definition of Application Software shall include the Replacement Product.

#### 13.4 WARRANTY PASS-THROUGH

Contractor shall assign to County to the fullest extent permitted by law or by this Agreement, and shall otherwise ensure that the benefits of any applicable warranty or indemnity offered by any manufacturer of any System Component or any other product or service provided hereunder shall fully extend to and be enjoyed by County.

#### 13.5 REMEDIES

County's remedies under the Agreement for the breach of the Warranties set forth in this Agreement, including Exhibit D (System Maintenance), will be limited to the repair or replacement by Contractor, at its own expense, of the non-conforming System Components, the specific remedies set forth in Exhibit D (System Maintenance) and any other corrective measures specified in Exhibit D (System Maintenance) and this Agreement. County agrees that, notwithstanding anything else herein to the contrary, specific performance will not be a remedy available to it for any breach of this Agreement by Contractor.

#### 13.6 BREACH OF WARRANTY OBLIGATIONS

Failure by Contractor to timely perform its obligations set forth in this Paragraph 13 shall constitute a material breach, upon which, in addition to County's other rights and remedies set forth herein, County may, after written notice to Contractor and provision of a reasonable cure period, terminate this Agreement in accordance with Paragraph 22 (Termination for Default).

#### 13.7 DISCLAIMER OF WARRANTIES

Contractor expressly disclaims all warranties not expressly specified anywhere in this Agreement with all of its Exhibits, Attachments and Schedules, including the implied

warranty of merchantability or fitness for a particular purpose or any warranties arising as a result of custom or usage in the trade or by course of dealing. Nothing in this Paragraph 13.7 negates any other express warranties provided by Contractor under the Agreement.

## 14. INDEMNIFICATION

### 14.1 GENERAL INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless County, including County Affiliates, its districts administered by County, and their elected and appointed officers, employees, and agents (collectively referred to for purposes of this Paragraph 14 as "County") from and against any and all claims, demands, damages, liabilities, losses, and reasonable costs and expenses, including defense costs and legal, accounting and other expert, consulting or professional fees, and legal research fees, in any way arising from, connected with or related to claims and lawsuits for damages of any nature whatsoever finally awarded against County by a court of competent jurisdiction (including such claims finally disposed of by a court of competent jurisdiction), including bodily injury, death, personal injury or property damage, arising from, connected with or related to: (i) Contractor, Contractor's agents', employees' or subcontractors' acts, errors or omissions in the performance of services or provision of products hereunder, including any workers' compensation suits, liability or expense, arising from or connected with any Work provided by any person on behalf of Contractor, Contractor's agents, employees or subcontractors pursuant to this Agreement; or (ii) any allegation of facts that constitute a breach of this Agreement by Contractor. Notwithstanding the foregoing, in the event that a claim giving rise to Contractor's obligations under this Paragraph 14 is terminated prior to final award by a court of competent jurisdiction, Contractor shall not seek from County reimbursement of any costs and expenses incurred by Contractor in defending such claim. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 14 shall be conducted by Contractor and performed by counsel selected by Contractor. County will reasonably cooperate with Contractor in the investigation, defense and/or settlement of any claim hereunder.

Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense.

### 14.2 LIMITATION OF LIABILITY

In no event shall either party be liable for any indirect, special, incidental, consequential, exemplary or punitive damages, even if advised of the possibility of such damages and regardless of the form in which any action is brought.

Except for (i) Contractor's indemnification obligations set forth in Paragraph 17.2, (ii) bodily injury, death or damage to tangible property, excluding damage to software or data, arising from actions for which Contractor is legally responsible (whether in contract, tort or otherwise), or (iii) County's violation of the intellectual property rights of Contractor, neither party's liability for damages of any kind, including direct damages, will exceed the Contract Sum allocated for this Agreement.



## 15. INSURANCE AND PERFORMANCE SECURITY

### 15.1 GENERAL INSURANCE PROVISIONS

Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Paragraph 15.1. These minimum insurance coverage terms, types and limits ("Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Agreement. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Agreement.

### 15.2 EVIDENCE OF COVERAGE AND NOTICE

15.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Agreement.

15.2.2 Renewal Certificates shall be provided to County not less than ten (10) days after renewal of Contractor's policy. County reserves the right to obtain copies of relevant sections of any required Contractor and/or subcontractor insurance policies at any time.

15.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

15.2.4 Neither County's failure to obtain, nor County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to County's Project Director at the address specified in Section I (County Key Personnel) of Exhibit G (Administration of Agreement).

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

15.3 ADDITIONAL INSURED STATUS AND SCOPE OF COVERAGE

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of Contractor's acts or omissions, whether such liability is attributable to Contractor or to County. The full policy limits and scope of protection also shall apply to County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

15.3.1 CANCELLATION OF INSURANCE

Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

15.3.2 INSURER FINANCIAL RATINGS

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

15.3.3 CONTRACTOR'S INSURANCE SHALL BE PRIMARY

Contractor's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

15.3.4 WAIVERS OF SUBROGATION

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

15.3.5 SUBCONTRACTOR INSURANCE COVERAGE REQUIREMENTS

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name County and Contractor as additional insureds on the subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

15.3.6 DEDUCTIBLES AND SELF-INSURED RETENTIONS

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR.

15.3.7 CLAIMS MADE COVERAGE

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

15.3.8 APPLICATION OF EXCESS LIABILITY COVERAGE

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

15.3.9 SEPARATION OF INSUREDS

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) policy forms or equivalent coverage.

15.3.10 ALTERNATIVE RISK FINANCING PROGRAMS

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

15.3.11 COUNTY REVIEW AND APPROVAL OF INSURANCE REQUIREMENTS

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures, provided that any such changes must be made in compliance with Paragraph 4 (Changes to Agreement).

15.4 INSURANCE COVERAGE REQUIREMENTS

15.4.1 COMMERCIAL GENERAL LIABILITY INSURANCE

Providing scope of coverage equivalent to ISO policy form CG 00 01, naming County and its Agents as an additional insured, with limits of not less than:

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

15.4.2 AUTOMOBILE LIABILITY INSURANCE

Providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of

autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

15.4.3 WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

Insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by the state where the work is being performed, and for which Contractor is responsible. In all cases, the above insurance shall also include Employers' Liability coverage be with limits of not less than the following:

Each Accident	\$1 million
Disease – Policy Limit	\$1 million
Disease – Each Employee	\$1 million

15.4.4 PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

15.5 PERFORMANCE SECURITY

Contractor shall furnish for the purpose of this Agreement, within thirty (30) days from the Effective Date, or such longer period as mutually agreed upon by County and Contractor, and in all events prior to commencing any Work under this Agreement, performance security in the form of a performance bond, a certificate of deposit (CD), an irrevocable letter of credit (LOC) or other performance security in a form and from a financial institution acceptable to County payable to County in the amount of the Contract Sum for the Work through the end of the Warranty Period, including Final Acceptance.

Prior to acceptance of Contractor's performance security, Contractor shall submit to County for approval the form of the proposed performance security. Both the initial expense and the annual premiums for the performance security shall be paid by Contractor.

In the event of termination under Paragraph 22 (Termination for Default) or Paragraph 24 (Termination for Insolvency), the performance security amount shall become payable to County for any outstanding damage assessments made by County against Contractor. An amount up to the full amount of the performance security may also be applied to Contractor's liability for any administrative costs and/or any excess costs incurred by County in obtaining similar software and services to replace those terminated as a result of Contractor's default or insolvency.

15.6 FAILURE TO MAINTAIN INSURANCE OR PERFORMANCE SECURITY

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance or maintain performance security acceptable to County shall constitute a material breach of the Agreement, upon which County immediately may withhold payments due to Contractor and/or suspend or terminate this Agreement.

## 16. PROPRIETARY CONSIDERATIONS

### 16.1 COUNTY MATERIALS

Contractor and County agree that all materials, plans, reports, Project Work Plan, the PCD, documentation and training materials developed by or solely for County, departmental procedures and processes, algorithms, the Components of the System Solution as set forth in Paragraph 10.1.4 (System Solution) above and other ELP models and solutions, deliverables, data, including County Data, and any other information provided by County or specifically provided by Contractor for County pursuant to this Agreement (excluding the Work Product and System Software provided by Contractor (subject to County's ownership of the Components of the System Solution as set forth in Paragraph 10.1.4 (System Solution) above)) and related Documentation (collectively "County Materials"), and all copyrights, patent rights, trade secret rights and other proprietary rights therein shall be the sole property of County. Contractor hereby assigns and transfers to County all of Contractor's right, title, and interest in and to all such County Materials, provided that notwithstanding such County ownership, Contractor may retain possession of all working papers prepared by Contractor. During and for a minimum of five (5) years subsequent to the term of this Agreement, Contractor shall retain any and all such working papers. County shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

### 16.2 TRANSFER TO COUNTY

Upon request of County, Contractor shall execute all documents requested by County and shall perform all other reasonable acts requested by County to assign and transfer to, and vest in, County all Contractor's right, title and interest in and to the County Materials, including, but not limited to, all copyright, patent and trade secret rights. County shall have the right to register all copyrights and patents in the name of County of Los Angeles. All material expense of effecting such assignment and transfer of rights shall be borne by County. Further, County shall have the right to assign, license or otherwise transfer any and all County's right, title and interest, including, but not limited to, copyrights and patents, in and to the County Materials.

### 16.3 CONTRACTOR'S OBLIGATIONS

Contractor shall protect the security of and keep confidential all County Materials and shall use whatever security measures are reasonably necessary to protect all such County Materials from loss or damage by any cause, including fire and theft.

### 16.4 PROPRIETARY AND CONFIDENTIAL

Any and all County Materials which are developed or were originally acquired by Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "PROPRIETARY" or "CONFIDENTIAL".

Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

1. Any disclosure of any materials which County is required to make under the California Public Records Act or otherwise by law; and
2. Any Contractor's proprietary and/or confidential materials not plainly and prominently marked with restrictive legends.

## **17. INTELLECTUAL PROPERTY INDEMNIFICATION**

- 17.1 Contractor represents and warrants: (i) that Contractor has the full power and authority to grant the License, ownership and all other rights granted by this Agreement to County; (ii) that no consent of any other person or entity is required by Contractor to grant such rights other than consents that have been obtained and are in effect; (iii) that County is entitled to use the System without interruption, subject only to County's obligation to make the required payments and observe the License terms under this Agreement; (iv) that this Agreement and the System licensed or acquired herein, are neither subject to any liens, encumbrances, or pledges nor subordinate to any right or claim of any third party, including Contractor's creditors; (v) that during the term of this Agreement, Contractor shall not subordinate this Agreement or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the System (or any part thereof) in accordance with this Agreement; and (vi) that neither the performance of this Agreement by Contractor, nor the License to or ownership by, and use by, County and its Users of the System in accordance with this Agreement will in any way violate any non-disclosure agreement, nor constitute any infringement or other violation of any copyright, trade secret, trademark, service mark, patent, invention, proprietary information, or other rights of any third party.
- 17.2 Contractor shall indemnify, hold harmless and defend County, including County Affiliates, its officers, employees and agents (collectively referred to for purposes of this Paragraph 17 as "County"), from and against any and all claims, demands, damages, liabilities, losses, and reasonable costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees and attorney's fees finally awarded against County by a court of competent jurisdiction by reason of any infringement by Contractor, or any of its subcontractors, of any third party's patent or copyright, or any unauthorized trade secret disclosure or misappropriation by Contractor, or any of its subcontractors, arising from or related to the Application Software or the operation and utilization of Contractor's work under this Agreement (collectively referred to for purposes of this Paragraph 17.2 as "Infringement Claim(s)"), provided that the Application Software or any Deliverable arising from the Work has not been altered, revised, modified or combined with other software by County in a manner that causes the alleged infringement and that County promptly notified Contractor of such claim. Notwithstanding the foregoing, in the event that an Infringement Claim is terminated prior to final award by a court of competent jurisdiction, Contractor shall not seek from County reimbursement of any costs and expenses incurred by Contractor in defending such Infringement Claim. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 17.2 shall be conducted by Contractor and performed by counsel selected by Contractor. County will reasonably cooperate with Contractor in the investigation, defense and/or settlement of any claim hereunder. Notwithstanding the foregoing, County shall have the right to participate in any such defense at its sole cost and expense.
- 17.3 County shall notify Contractor, in writing, as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure. Upon such notice by County,

Contractor shall, at no cost to County, as remedial measures, either: (i) procure the right, by license or otherwise, for County to continue to use the System or affected Component(s) thereof, or part(s) thereof, to the same extent of County's License or ownership rights under this Agreement; or (ii) replace or modify the System or Component(s) thereof with another software or component(s) thereof of at least equivalent quality and performance capabilities, as mutually determined by County and Contractor until the System and all Components thereof become non-infringing, non-misappropriating and non-disclosing (hereinafter collectively for the purpose of this Paragraph 17.3 "Remedial Act(s)").

- 17.4 If Contractor fails, or notifies County in writing that it is unable, to complete using reasonable commercial efforts the Remedial Acts described in Paragraph 17.3 above then, unless otherwise agreed to by the parties following good faith negotiations, County will terminate this Agreement for default pursuant to Paragraph 22 (Termination for Default), in which case, in addition to other remedies available to County, Contractor shall reimburse County for all fees and costs paid by County to Contractor under the Agreement.

## **18. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION**

- 18.1 Contractor shall not assign its rights and/or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, which consent shall not be unreasonably withheld, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 18, County's consent shall require a written Amendment to this Agreement, which is formally approved and executed in accordance with Paragraph 4 (Changes to Agreement). Any payments by County to any approved delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set off, recoupment, or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.
- 18.2 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 voting control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling voting interest therein at the time of execution of this Agreement, if known to Contractor, Contractor shall notify County of such disposition in writing in accordance with the applicable provisions of this Agreement.
- 18.3 Any assumptions, assignment, delegation or takeover of any of Contractor's duties, responsibilities, obligations or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout or other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Agreement which may result in the termination of the Agreement. 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.

## **19. SUBCONTRACTING**

- 19.1 County has relied, in entering into this Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of this Agreement, or any portion thereof, shall be subcontracted by Contractor without the prior written approval of County as provided in this Paragraph 19. Any attempt by Contractor to

subcontract any performance under this Agreement without the prior written consent of County shall be null and void and shall be deemed a material breach of this Agreement, upon which County may immediately terminate this Agreement.

- 19.2 If Contractor desires to subcontract any portion of its performance under this Agreement, Contractor shall provide to County, in writing, a request for written approval to enter into the particular subcontract, which request shall include:
1. The reason(s) for the particular subcontract;
  2. Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected;
  3. A detailed description of the work to be performed by the proposed subcontractor;
  4. Confidentiality provisions applicable to the proposed subcontractor's officers, employees and agents, which would be incorporated into the subcontract;
  5. A representation that the proposed subcontract agreement shall, at a minimum:
    - a. include representations and warranties by subcontractor that subcontractor (i) is qualified to perform the work for which subcontractor has been hired; (ii) maintains the insurance required by this Agreement, and (iii) is solely liable and responsible for any and all of its taxes, payments and compensation, including compensation to its employees;
    - b. provide for indemnification by subcontractor of County and Contractor under the same terms and conditions as the indemnification provisions of this Agreement set forth in Paragraphs 14 (Indemnification) and 17 (Intellectual Property Indemnification); and
    - c. include (i) Exhibit E (Confidentiality and Assignment Agreement), (ii) Schedule E.1 (Non-Disclosure Agreement), (iii) Exhibit F (Contractor's EEO Certification), and (iv) Exhibit H (Safely Surrendered Baby Law).
  6. Unless otherwise waived by County, copies of certificates of insurance from the proposed subcontractor which establish that the subcontractor maintains the minimum programs of insurance required by County.
  7. Other pertinent information and/or certifications requested by County.
- 19.3 County will review Contractor's request to subcontract and determine on a case-by-case basis whether or not to consent to such request, which consent shall not be unreasonably withheld.
- 19.4 Subject to and in addition to the provisions of Paragraph 14 (Indemnification), Contractor shall indemnify, defend and hold harmless County, its officers, employees and agents, from and against any and all claims, demands, liabilities, damages, costs and expenses, including, but not limited to, defense costs and legal, accounting or other expert consulting or professional fees in any way arising from or related to Contractor's use of any subcontractor, including, without limitation, any officers, employees or agents of any subcontractor, in the same manner as required for Contractor, its officers, employees and agents, under this Agreement.
- 19.5 Notwithstanding County's consent to any subcontracting, Contractor shall remain fully responsible for any and all performance required of it under this Agreement, including those which Contractor has determined to subcontract, including, but not limited to, the obligation to properly supervise, coordinate and perform all work required under this Agreement. All



subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. Furthermore, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, or responsibilities, to County, nor shall such approval limit in any way any of County's rights or remedies contained in this Agreement. Additionally, County's approval of any subcontract shall not be construed in any way to constitute the determination of the allowableness or appropriateness of any cost or payment under this Agreement.

19.6 County's consent to any subcontracting shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Agreement. Contractor shall notify its subcontractors of this County's right prior to subcontractors commencing performance under this Agreement. Contractor shall assure that any subcontractor personnel not approved in writing by County shall be immediately removed from the provision of any services under the particular subcontract or that other action is taken as requested by County.

Further, in the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such subcontractor is deemed by County to be in material breach of its subcontract or this Agreement. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any claims, demands, damages, liabilities, losses, costs, or expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees, in any way arising from or related to County's exercise of such right.

19.7 Notwithstanding County's consent to any subcontracting, Contractor shall be solely liable and responsible for any and all payments and other compensation to all subcontractors, and their officers, employees, agents, and successors in interest, for any services performed by subcontractors under this Agreement.

19.8 In the event that County consents to any subcontracting, for each subcontract entered into by Contractor, Contractor shall deliver to County's Project Director, immediately after the effective date of the subcontract but in no event later than the date any work is performed under the subcontract:

1. An executed Exhibit E (Confidentiality and Assignment Agreement) and Schedule E.1 (Non-Disclosure Agreement) for each subcontractor approved to perform work under this Agreement on behalf of such subcontractor and all of employees who will be performing such work; and
2. Unless otherwise waived by County, certificates of insurance which establish that the subcontractor maintains the minimum programs of insurance required by County under this Agreement.

19.9 In the event that County consents to any subcontracting, such consent shall apply to each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 19 or a blanket consent to any further subcontracting.

## **20. DISCLOSURE OF INFORMATION**

### **20.1 DISCLOSURE OF AGREEMENT**

Contractor shall not disclose any terms or conditions of, or any circumstances or events that occur during the performance of, this Agreement to any person or entity except as may be otherwise provided herein or required by law. In the event Contractor receives any court or administrative agency order, service of process, or request by any person or entity (other than Contractor's professionals) for disclosure of any such details, Contractor shall, to the extent allowed by law or such order, promptly notify County's Project Director. Thereafter, Contractor shall comply with such order, process or request only to the extent required by applicable law. Notwithstanding the preceding sentence, to the extent permitted by law, Contractor shall delay such compliance and cooperate with County to obtain relief from such obligations to disclose until County shall have been given a reasonable opportunity to obtain such relief.

However, in recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publicizing its role under this Agreement under the following conditions:

1. Contractor shall develop all publicity material in a professional manner.
2. During the term of this Agreement, 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 County without the prior written consent of County's Project Director for each such item.
3. Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 20 shall apply.

### **20.2 REQUIRED DISCLOSURES**

Notwithstanding any other provision of this Agreement, either party may disclose information about the other that: (i) is lawfully in the public domain at the time of disclosure; (ii) is disclosed with the prior written approval of the party to which such information pertains; or (iii) is required by law to be disclosed.

## **21. CONFIDENTIALITY AND SECURITY**

### **21.1 CONFIDENTIALITY**

#### **21.1.1 CONFIDENTIAL INFORMATION**

Each party shall protect, secure and keep confidential all records, materials, documents, data and/or other information, including, but not limited to, billing and sensitive financial information, County records, County Data, County Materials, System Solution, Work Product, System Software, Participant records and information, other DPSS records, health information and any other data, records and information, received, obtained and/or produced under the provisions of this Agreement (hereinafter "Confidential Information"), in accordance with the terms of this Agreement and all applicable Federal, State or local laws, regulations, ordinances, and publicly known guidelines and directives relating to confidentiality. As used in this Agreement, the term "Confidential Information" shall also include records, materials, data and information deemed confidential by County or the

applicable law under Paragraph 3.4 (Rules and Regulations). Each party shall use whatever appropriate security measures are necessary to protect such Confidential Information from loss, damage and/or unauthorized dissemination by any cause, including but not limited to fire and theft.

Contractor shall inform all of its officers, employees, agents and subcontractors providing Work hereunder of the confidentiality provisions of this Agreement. Contractor shall ensure that all of its officers, employees, agents and subcontractors performing Work hereunder have entered into confidentiality agreements no less protective of County than the terms of this Agreement, including this Paragraph 21 and Exhibit E (Confidentiality and Assignment Agreement) and Schedule E.1 (Non-Disclosure Agreement).

#### 21.1.2 DISCLOSURE

With respect to any Confidential Information, specifically including any identifiable information concerning any GR recipient, that is obtained by Contractor or any other records, materials, data or information (hereinafter collectively for the purpose of this Paragraph 21.1.2 "information"), Contractor shall: (i) not use any such information for any purpose whatsoever other than carrying out the express terms of this Agreement; (ii) promptly transmit to County all requests for disclosure of any such information; (iii) not disclose, except as otherwise specifically permitted by this Agreement, any such information to any person or organization other than County without County's prior written authorization that the information is releasable; and (iv) at the expiration or termination of this Agreement, return all such information to County or maintain such information according to the written procedures provided to Contractor by County for this purpose.

Under State law, including Welfare & Institutions Code, Section 10850 and California Department of Social Services (CDSS), Manual of Policies and Procedures, Division 19, Section 10859 et seq. and 17006, all of the case records and information pertaining to individuals receiving aid are confidential and no information related to any individual case or cases shall be in any way relayed to anyone except those employees of County so designated without written authorization from County.

#### 21.1.3 INDEMNIFICATION

Subject to and in addition to the provisions of Paragraph 14 (Indemnification), Contractor shall indemnify, defend and hold harmless County, its officers, employees, and agents, from and against any and all loss, damage, liability and expense, including, but not limited to, defense costs and reasonable legal, accounting and other expert, consulting or professional fees, arising from any disclosure of such records and information by Contractor, its officers, employees, or agents, except for any disclosure authorized by this Paragraph 21.

#### 21.2 SECURITY

##### 21.2.1 SYSTEM SECURITY

Notwithstanding anything to the contrary herein, Contractor shall provide all Work utilizing security technologies and techniques in accordance with the industry standards, Contractor's best practices and applicable County security policies, procedures and requirements provided by County to Contractor in writing, this Agreement or otherwise as required by law (e.g., Schedule D.1 (County's Remote Access Policies), Schedule D.2 (LA County Extranet IT Security Standards (Draft)) and Schedule D.3 (County's IT Security Standards)), including

those relating to the prevention and detection of fraud or other inappropriate use or access of systems and networks. Without limiting the generality of the foregoing, Contractor shall implement and use network management and maintenance applications and tools and fraud prevention and detection and encryption technologies and prevent the introduction of any Disabling Device into the System. In no event shall Contractor's actions or inaction result in any situation that is less secure than the security that Contractor then provides for its own systems and data.

#### 21.2.2 SYSTEM DATA SECURITY

Contractor hereby acknowledges the right of privacy of all persons as to whom there exists any System Data, including County Data. Contractor shall protect, secure and keep confidential all System Data in compliance with all federal, state and local laws, rules, regulations, ordinances, and publicly known guidelines and directives, relating to confidentiality and information security (including any breach of the security of the System, such as any unauthorized acquisition of System Data that compromises the security, confidentiality or integrity of personal information), including California Civil Code Section 1798.82 and California Welfare and Institutions Code Section 10850. Further, Contractor shall take all reasonable actions necessary or advisable to protect all System Data in its possession, custody or control from loss or damage by any cause, including fire, theft or other catastrophe. In addition, if requested by County's Project Director, Contractor shall provide notification to all persons whose unencrypted personal information was, or is reasonably believed to have been, acquired by any unauthorized person, and the content, method and timing of such notification shall be subject to the prior approval of County's Project Director. Contractor shall not use System Data for any purpose or reason other than to fulfill its obligations under this Agreement.

#### 21.3 REMEDIES

Contractor acknowledges that a breach by Contractor of this Paragraph 21 may result in irreparable injury to County that may not be adequately compensated by monetary damages and that, in addition to County's other rights under this Paragraph 21 and at law and in equity, County shall have the right to seek injunctive relief to enforce the provisions of this Paragraph 21. The provisions of this Paragraph 21 shall survive the expiration of termination of this Agreement.

Contractor shall take all reasonable actions necessary or advisable to protect the System from loss or damage by any cause. Contractor shall bear the full risk of loss or damage to the System and any System Data by any cause other than resulting from force majeure or County's sole fault.

### 22. **TERMINATION FOR DEFAULT**

22.1 County may, by written notice to Contractor, terminate the whole or any part of this Agreement if:

1. Contractor fails to timely provide and/or satisfactorily perform any task, subtask, deliverable, goods, service or other Work within the times specified in this Agreement, including the finalized Project Work Plan; or
2. Contractor fails to demonstrate a high probability of timely fulfillment of the performance requirements under this Agreement; or
3. Contractor fails to make progress as to endanger performance of this Agreement in accordance with its terms; or
4. Contractor fails to perform or comply with any other provisions of this Agreement or materially breaches this Agreement;

and, unless a shorter cure period is expressly provided in this Agreement, does not cure such failure or fails to correct such failure or breach within thirty (30) days (or such longer period as County may authorize in writing) of receipt of written notice from County specifying such failure or breach, except that Contractor shall not be entitled to any cure period, and County may terminate immediately, in the event that Contractor's failure to perform or comply is not reasonably capable of being cured.

22.2 If, after County has given notice of termination under the provisions of this Paragraph 22, it is determined by County that Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 23 (Termination for Convenience).

22.3 The rights and remedies of County provided in this Paragraph 22 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

### **23. TERMINATION FOR CONVENIENCE**

23.1 This Agreement may be terminated, in whole or in part, permanently or from time to time, when such action is deemed by County to be in its best interest. Termination of Work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective, which shall be no less than sixty (60) calendar days after the notice is sent. In the event County has purported to terminate this Agreement for default by notice pursuant to Paragraph 22 (Termination for Default) and it has later been determined that Contractor was not in default, no additional notice shall be required upon such determination.

23.2 After receipt of a notice of termination, Contractor shall submit to County, in the form and with any certifications as may be prescribed by County, Contractor's termination claim and invoice. Such claim and invoice shall be submitted promptly in accordance with Paragraph 26 (Effect of Termination).

### **24. TERMINATION FOR INSOLVENCY**

24.1 County may terminate this Agreement immediately at any time upon the occurrence of any of the following:

1. *Insolvency of Contractor.* Contractor shall be deemed to be insolvent if it has ceased to pay or has admitted in writing its inability 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 United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has

ceased in the normal course of business to pay its debts which are disputed in good faith and which are not related to this Agreement as determined by County;

2. The filing of a voluntary or involuntary petition to have Contractor declared bankrupt, where the involuntary petition is not dismissed within sixty (60) days;
3. The appointment of a receiver or trustee for Contractor; or
4. The execution by Contractor of an assignment for the benefit of creditors.

24.2 The rights and remedies of County provided in this Paragraph 24 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

24.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects this Agreement, County may elect to retain its rights under this Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 United States Code, Section 365(n)). Upon written request of County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow County to exercise all of its rights and benefits under this Agreement, including without limitation such Section 365(n), and shall not interfere with the rights and benefits of County as provided therein. The foregoing shall survive the termination or expiration of this Agreement for any reason whatsoever.

## **25. TERMINATION FOR IMPROPER CONSIDERATION**

25.1 County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, Amendment or extension of the Agreement or the making of any determinations with respect to Contractor's performance pursuant to this Agreement. 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.

25.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County's Auditor-Controller Employee Fraud Hotline at (213) 974 0914 or (800) 544 6861.

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

## **26. EFFECT OF TERMINATION**

In the event that either party, upon notice to the other, terminates this Agreement in whole or in part as provided herein, including pursuant to Paragraphs 22 (Termination for Default) through 25 (Termination for Improper Consideration), then:

1. Contractor and County shall continue the performance of this Agreement to the extent not terminated;
2. Contractor shall stop work under this Agreement on the date and to the extent specified in such notice and provide to County all completed Work and Work in progress, in a media reasonably requested by County;
3. Contractor shall promptly return to County any and all Confidential Information, including County Data and County Materials, that relate to that portion of the Agreement and Work terminated by County;
4. County shall pay Contractor all monies due in accordance with the terms of the Agreement for the Work completed up to the time of termination; and
5. Contractor shall return to County all monies paid by County, yet unearned by Contractor, including any prepaid Maintenance Fees, if applicable;
6. After receipt of the notice of termination, Contractor shall submit to County an invoice for Work completed in accordance with the terms of this Agreement with the exception of any disputed Work or any Work resulting in termination for default. Such invoice shall be submitted promptly, but not later than three (3) months from the effective date of termination. Upon failure of Contractor to submit an invoice within such time allowed, County may determine the amount due to Contractor, if any, based on the progress payments for System Implementation, any Optional Work or System Maintenance, as applicable, and such determination shall be final. After such determination is made, County will pay Contractor the amount so determined by County.
7. Notwithstanding the foregoing, upon termination for default pursuant to Paragraph 22 (Termination for Default) during System Implementation, Contractor shall return all monies paid by County to Contractor during such System Implementation, and County will return to Contractor all products of such terminated System Implementation;
8. Upon termination by County for default pursuant to Paragraph 22 (Termination for Default) or for insolvency pursuant to Paragraph 24 (Termination for Insolvency), County shall have the right to procure, upon such terms and in such a manner as County may deem appropriate, goods, services and other Work, similar to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs incurred by County, as determined by County, to procure and furnish such similar goods, services and other Work;
9. Contractor understands and agrees that County has obligations that it cannot satisfy without use of the System provided to County hereunder or an equivalent system, and that a failure to satisfy such obligations could result in irreparable damage to County and the entities it serves. Therefore, Contractor agrees that in the event of any termination of this Agreement, at County's option and notice to Contractor, Contractor and County will in good faith negotiate a Scope of Work for Optional Work for transitioning the ELP to another system of County's choice in accordance with Subtask 7.3.2 (Provide ELP Transition Support) of Exhibit A (Statement of Work), which shall be completed prior to the termination of the Agreement. In no event shall County's cost for such Optional Work exceed the Maximum Fixed Price to be specified in Schedule B.2 (Optional Work); and

10. Upon termination by County for default pursuant to Paragraph 22 (Termination for Default) or for insolvency pursuant to Paragraph 24 (Termination for Insolvency), Contractor shall provide to County Transition License to all Components of the Application Software, including the Baseline Application, to use the Application Software during the Transition Period, subject to the provisions of Paragraph 10.2 (License).

## **27. RECORDS AND AUDITS**

- 27.1 Contractor shall maintain accurate and complete financial records of its activities and operation relating to this Agreement in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement, provided such access rights do not constitute an unlawful invasion of the privacy rights of any Contractor employee and would not in the reasonable opinion of Contractor subject Contractor to legal liability. Contractor agrees that County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Agreement to the extent legally permissible. All such material, including, but not limited to, all financial records, employment records including time cards to the extent legally permissible, and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to County electronically or otherwise during the term of this Agreement and for a period of five (5) years thereafter, unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County. If any such material is located outside Los Angeles County, then, at County's option, Contractor, upon County's request, shall provide such material to County electronically or in paper format. Any cost incurred by County as a result of travel in order to examine or otherwise audit Contractor's records outside of Los Angeles County shall be borne by County.
- 27.2 In the event that an audit is conducted of Contractor specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Auditor-Controller within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. County will make a reasonable effort to maintain the confidentiality of such audit report(s).
- 27.3 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 27 shall constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement.
- 27.4 Beginning one (1) year after the Effective Date and every year thereafter, until the expiration or termination of this Agreement, Contractor shall, upon County's written request, submit to County a complete set of financial statements for the preceding Fiscal Year. Such statements shall be no more than eighteen (18) months old at the time of submission to County and shall, at a minimum, include a Balance Sheet (Statement of Financial Position) and Income Statement (Statement of Operations). If audited statements are available, they shall be submitted to meet this requirement. County reserves the right to request these financial statements on a more frequent basis and will so notify Contractor in writing. Such financial statements are Contractor's Confidential Information and may only be used by County to verify Contractor's financial status with regard to this Agreement.



**28. INDEPENDENT CONTRACTOR STATUS**

- 28.1 This Agreement is by and between County and 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 County and Contractor. The employees and agents of one party are not and shall not be, or construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent contractor.
- 28.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement, all compensation and benefits. 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 Contractor.
- 28.3 Contractor shall be solely liable and responsible for providing all workers' compensation insurance and benefits, liability insurance, employer taxes, compensation, and benefits to, or on behalf of, all persons performing work pursuant to this Agreement.
- 28.4 Notwithstanding the provisions of this Paragraph 28, the employees and agents of Contractor shall, while on the premises of County, comply with all rules and regulations of the premises, including, but not limited to, security requirements.

**29. WARRANTY AGAINST CONTINGENT FEES**

- 29.1 Contractor represents and warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.
- 29.2 For breach of this warranty, County shall have the right to terminate this Agreement for default and, at its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**30. DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

**30.1 CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses who benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Agreement will maintain compliance, with Los Angeles County Code Chapter 2.206.

**30.2 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 30.1 (Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction

Program) shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor pursuant to County Code Chapter 2.206.

**31. CONFLICT OF INTEREST**

31.1 No County employee whose position with County enables such employee to influence the award of this Agreement or any competing agreements, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Agreement.

No officer or employee of Contractor, who may financially benefit from the performance of work hereunder, shall in any way participate in County's approval or ongoing evaluation of such work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such work.

31.2 Contractor shall comply with all applicable conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which do or could create a conflict of interest. If Contractor hereafter becomes aware of any facts, which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

31.3 Failure by Contractor to comply with the provisions of this Paragraph 31 shall constitute a material breach of this Agreement.

**32. COUNTY'S QUALITY ASSURANCE PLAN**

County, or its agent, will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with the terms, conditions and performance standards of this Agreement. Contractor deficiencies, which County determines are severe or continuing and that may place performance of this Agreement in jeopardy, if not corrected, will be reported to County's Board of Supervisors along with a notice to Contractor. The report will include improvements and/or corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures within thirty (30) days of County's notice of Contractor deficiencies, County may, at its sole option, terminate this Agreement, in whole or in part, pursuant to Paragraph 22 (Termination for Default) or Paragraph 23 (Termination for Convenience), or impose other penalties as specified in this Agreement.

**33. FORCE MAJEURE**

33.1 Except with respect to defaults of any subcontractor(s), Contractor shall not be liable for reasonable delays in the completion of work under this Agreement, if its failure to perform arises out of, and only, fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes or freight embargoes, but in every such case the failure to perform must be beyond the control and without any fault or negligence of Contractor.

33.2 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 Contractor and subcontractor, and without any fault or negligence of either of them, Contractor shall not be liable for reasonable delays in the completion of the Work, unless the goods and/or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required schedule. Contractor agrees to use all reasonable commercial efforts to obtain such goods or services from other sources. As used in this Paragraph 33, the term "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

33.3 Notwithstanding anything herein to the contrary, County shall not be liable for any additional costs incurred by Contractor, or any subcontractor hereto, arising out of or resulting from any Contractor force majeure event.

#### **34. UNLAWFUL SOLICITATION**

Contractor shall inform all of its employees who provide services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of such provisions by its employees.

#### **35. RE-SOLICITATION OF BIDS AND PROPOSALS**

35.1 Contractor acknowledges that, prior to the expiration or earlier termination of this Agreement, County, in its sole discretion, may exercise its right to invite bids or request proposals for the continued provision of the goods and services delivered or contemplated under this Agreement. County shall make the determination to re-solicit bids or request proposals in accordance with applicable County policies.

35.2 Contractor acknowledges that County, in its sole discretion, may enter into an agreement for the future provision of goods and services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids or request for proposals by virtue of its present status as Contractor.

#### **36. COMPLIANCE WITH APPLICABLE LAWS**

36.1 Contractor's activities hereunder shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, publicly known guidelines and directives, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference. Contractor shall have up to fifteen (15) days to correct any noncompliance with County rules, regulations, ordinances, and publicly known guidelines and directives following written notice from County including written copies of such applicable rules, regulations, ordinances, and publicly known guidelines and/or directives.

36.2 Subject to and in addition to the provisions of Paragraph 14 (Indemnification), Contractor shall indemnify, defend and hold harmless County, its officers, employees, and agents from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and reasonable legal, accounting and other expert, consulting or professional fees, arising from or related to any violation on the part of Contractor, its employees, agents or subcontractors of any such laws, rules, regulations, ordinances, and publicly known guidelines or directives.

**37. FAIR LABOR STANDARDS**

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and, subject to and in addition to the provisions of Paragraph 14 (Indemnification), shall indemnify, defend and hold harmless County, its officers, employees and agents from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs and reasonable attorneys' fees arising under, any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by Contractor's employees for which County may be found jointly or solely liable.

**38. NONDISCRIMINATION AND COMPLIANCE WITH CIVIL RIGHTS LAWS**

- 38.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries and holding companies will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status, sexual orientation or political affiliation, in compliance with all applicable Federal and State antidiscrimination laws and regulations.
- 38.2 Contractor shall, pursuant to Los Angeles County Code Section 4.32, certify to and comply with the provisions of the Contractor's EEO Certification (Exhibit F).
- 38.3 Contractor shall take affirmative action to ensure that applicants and employees are treated equally during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental handicap, marital status, sexual orientation or political affiliation, in compliance with all applicable Federal and State antidiscrimination 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.
- 38.4 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 handicap, marital status, sexual orientation or political affiliation, except to the extent necessary to comply with applicable Federal and State antidiscrimination laws and regulations.
- 38.5 Contractor certifies that it, its affiliates, subsidiaries and holding companies are in compliance with all Federal, State, and local laws, including, but not limited to:
1. Title VII, Civil Rights Act of 1964;
  2. Section 504, Rehabilitation Act of 1973;
  3. Age Discrimination Act of 1975;
  4. Title IX, Education Amendments of 1973, as applicable; and
  5. Title 43, Part 17, Code of Federal Regulations, Subparts A & B,
- and that no person shall, on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap, be subject to discrimination as to any privileges or uses gained under this Agreement or under any project, program or activity supported by this Agreement.
- 38.6 To the extent permissible by applicable law, Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 38 when so requested by County.

38.7 If County finds that any of the provisions of this Paragraph 38 have been violated, such violation shall, at the election of County, constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement. While County reserves the right to determine independently that the antidiscrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal antidiscrimination laws or regulations shall constitute a finding by County that Contractor has violated the antidiscrimination provisions of this Agreement.

38.8 The parties agree that in the event Contractor is found to have violated the antidiscrimination provisions of this Agreement, and that such discrimination was directly associated with the performance of services provided under this Agreement, County may require, pursuant to Los Angeles County Code Section 4.32.010 (E), that Contractor pay the sum of Five Hundred Dollars (\$500) for each such violation, in lieu of terminating or suspending this Agreement, as liquidated damages are extremely difficult to ascertain or calculate precisely. In the alternative, County may elect to terminate this Agreement pursuant to Paragraph 22 (Termination for Default).

### **39. NONDISCRIMINATION IN SERVICES**

39.1 Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, or physical or mental handicap, in accordance with all applicable requirements of Federal and State law. For the purpose of this Paragraph 39, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of the facility, providing any service or benefit to any person which is not equivalent or is not provided in an equivalent manner or at an equivalent time to that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit.

39.2 Contractor shall ensure that recipients of services under this Agreement are provided services without regard to race, color, religion, national origin, ancestry, sex, age, or condition of physical or mental handicap.

### **40. RESTRICTIONS ON LOBBYING**

#### **40.1 FEDERAL FUNDS PROJECTS**

If any Federal funds are to be used to pay portion for any of Contractor's work under this Agreement, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public law 101121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully complies with all such certification and disclosure requirements.

#### **40.2 COUNTY PROJECTS**

Contractor, and each County lobbyist or County lobbying firm, as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with County's

Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County Lobbyist Ordinance shall constitute a material breach of this Agreement, upon which County may immediately terminate or suspend this Agreement.

#### **41. EMPLOYMENT ELIGIBILITY VERIFICATION**

- 41.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding employment of aliens and others and that all its employees performing services under this Agreement meet the citizenship or alien status requirements contained in Federal and State statutes and regulations, including but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99603).
- 41.2 Contractor shall obtain from all employees performing under this Agreement, prior to commencing any work hereunder, all verifications and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for the period prescribed by law.
- 41.3 Subject to and in addition to the provisions of Paragraph 14 (Indemnification), Contractor shall indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, but not limited to, defense costs and reasonable legal, accounting and other expert, consulting or professional fees, arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County 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 Agreement.
- 41.4 In the event Contractor fails to comply with the provisions of this Paragraph 41, County may, in its sole discretion, terminate this Agreement for default.

#### **42. HIRING OF EMPLOYEES**

##### **42.1 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/ON RE-EMPLOYMENT LIST**

Should Contractor require additional or replacement personnel after the Effective Date to perform the work set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff and qualified former County employees who are on a reemployment list during the term of this Agreement.

##### **42.2 CONSIDERATION OF GAIN/GROW PROGRAM PARTICIPANTS FOR EMPLOYMENT**

Should Contractor require additional or replacement personnel after the Effective Date, 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 Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor.

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

**43. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

43.1 Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County agreements are in compliance with their court ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

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

**44. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 43 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by County's Child Support Services Department shall be grounds upon which the Auditor-Controller or County's Board of Supervisors may terminate this Agreement pursuant to Paragraph 22 (Termination for Default) and pursue debarment of Contractor pursuant to Paragraph 46 (Contractor Responsibility and Debarment).

**45. FEDERAL EARNED INCOME CREDIT**

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 1015.

**46. CONTRACTOR RESPONSIBILITY AND DEBARMENT**

46.1 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 County's policy to conduct business only with responsible contractors.

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

specified period of time, which generally will not exceed five (5) years, although may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing agreements Contractor may have with County.

- 46.3 County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (i) violated any term of a contract with County or a nonprofit corporation created by County; (ii) committed any act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same; (iii) committed an act or offense which indicates a lack of business integrity or business honesty; or (iv) made or submitted a false claim against County or any other public entity.
- 46.4 If there is evidence that Contractor may be subject to debarment, County's Project Director, or his/her designee, will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.
- 46.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor, County's Project Director, or his/her designee, and County's departments shall be provided with an opportunity to object to the tentative proposed decision prior to its presentation to County's Board of Supervisors.
- 46.6 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 County's 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.
- 46.7 If Contractor has been debarred for a period longer than five (5) years, then 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. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that such Contractor has adequately demonstrated one or more of the following: (i) elimination of the grounds for which the debarment was imposed; (ii) a bona fide change in ownership or management; (iii) material evidence discovered after debarment was imposed; or (iv) any other reason that is in the best interests of County.
- 46.8 The Contractor Hearing Board will consider a request for review of a debarment determination only where (i) the requesting contractor has been debarred for a period longer than five (5) years, (ii) the debarment has been in effect for at least five (5) years and (iii) 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.



- 46.9 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 County's Board of Supervisors. County's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 46.10 The terms and procedures of this Paragraph 46 shall also apply to subcontractors, consultants and partners of Contractor performing work under this Agreement.

**47. COUNTY AUDIT SETTLEMENTS**

If, at any time during or after the term of this Agreement or within five (5) years after the expiration of termination thereof, representatives of County conduct an audit of Contractor regarding the work performed under this Agreement, and if such audit finds that County's dollar liability for such work is less than payments made by County to Contractor, then the difference due to County's overpayment (for the purpose of this Paragraph 47 only "Overpayment Amount") shall, at County's sole discretion, either be: (i) repaid by Contractor to County by cash payment upon demand; or (ii) at County's sole option, deducted from any amounts due to Contractor from County, whether under this Agreement or otherwise. In addition, for any difference due to County's overpayment that is greater than the lesser of (a) five percent (5%) of County's payment or (b) one hundred dollars (\$100), then the Overpayment Amount to be reimbursed by Contractor to County as provided in the preceding sentence shall also include County's reasonable costs of the audit revealing such overpayment by County. If such audit finds that County's dollar liability for such work is more than payments made by County to Contractor, then the difference shall be repaid by County to Contractor, provided that in no event shall County's payments to Contractor exceed the Contract Sum.

**48. FEDERAL ACCESS TO RECORDS**

If, and to the extent that, Section 1861(v)(1)(i) of the Social Security Act (42 United States Code Section 1395x(v)(1)(i) is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to DPSS or to any of their authorized representatives, the contracts, books, documents and records of Contractor which are necessary to verify the nature and extent of the costs of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve month period with a related organization (as that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

**49. REQUIRED CERTIFICATIONS**

Contractor shall obtain and maintain in effect during the term of this Agreement all applicable licenses, permits, registrations, accreditations and certificates required by all Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives, which are applicable to Contractor's services under this Agreement. Contractor shall further ensure that all of its officers, employees, agents and subcontractors who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation and certificate

required by all applicable Federal, State, and local laws, ordinances, rules, regulations, guidelines and directives shall be provided, in duplicate, to County's Project Director at the address set forth in Section I (County Key Personnel) of Exhibit G (Administration of Agreement).

**50. NEW TECHNOLOGY**

Contractor and County acknowledge the probability that the technology of the software and hardware which comprise the System will change and improve during the term of this Agreement. County desires the flexibility to incorporate into the System any new technologies as they may become available. Accordingly, Contractor's Project Manager shall, promptly upon discovery and on a continuing basis, apprise County's Project Director of all new technologies, methodologies and techniques which Contractor considers to be applicable to the System. Specifically, upon County's request, Contractor shall provide, in writing, a description of such new technologies, methodologies and techniques, indicating the advantages and disadvantages of incorporating same into the System, and provide an estimate of the impact such incorporation will have on the performance, scheduling and price of the System. County, at its sole discretion, may request that this Agreement be amended to incorporate the new technologies, methodologies and techniques into the System pursuant to the provisions of Paragraph 4 (Changes to Agreement).

**51. NO THIRD PARTY BENEFICIARIES**

Notwithstanding any other provision of this Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement, except that this provision shall not be construed to diminish Contractor's indemnification obligations hereunder or any Operating Software owners rights to enforce their rights of ownership.

**52. GOVERNING LAW, JURISDICTION AND VENUE**

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to agreements made and to be performed within the State. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California. As with respect to claims that are subject to exclusive Federal subject matter jurisdiction, Contractor agrees and consents to the exclusive jurisdiction of the Federal District Court of the Central District of California.

**53. DISPUTE RESOLUTION PROCEDURE**

- 53.1 Contractor and County agree to act immediately to mutually resolve any disputes which may arise with respect to this Agreement. All such disputes shall be subject to the provisions of this Paragraph 53 (such provisions shall be collectively referred to as the "Dispute Resolution Procedure"). Time is of the essence in the resolution of disputes.
- 53.2 Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder.
- 53.3 Subject to the provisions of Paragraph 9.4 (Payments), if Contractor fails to continue without delay its performance hereunder which County, in its sole discretion, determines should not be delayed as a result of such dispute, then any additional costs which may be incurred by

Contractor or County as a result of Contractor's failure to continue to so perform shall be borne by Contractor, and Contractor shall make no claim whatsoever against County for such costs. Contractor shall promptly reimburse County for such County costs, as determined by County, or County may deduct all such additional costs from any amounts due to Contractor from County.

If County fails to continue without delay to perform its responsibilities under this Agreement which County determines should not be delayed as a result of such dispute, then any additional costs incurred by Contractor or County as a result of County's failure to continue to so perform shall be borne by County, and County shall make no claim whatsoever against Contractor for such costs. County shall promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by County.

- 53.4 In the event of any dispute between the parties with respect to this Agreement, Contractor and County shall submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.
- 53.5 In the event that the Project Managers are unable to resolve the dispute within a reasonable time not to exceed ten (10) days from the date of submission of the dispute to them, then the matter shall be immediately submitted to the parties' respective Project Directors for further consideration and discussion to attempt to resolve the dispute.
- 53.6 In the event that the Project Directors are unable to resolve the dispute within a reasonable time not to exceed ten (10) days from the date of submission of the dispute to them, then the matter shall be immediately submitted to Contractor's President and the Director. These persons shall have ten (10) days to attempt to resolve the dispute.
- 53.7 In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Agreement and/or its rights and remedies as provided by law.
- 53.8 All disputes utilizing this dispute resolution procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all three (3) levels described in this Paragraph 53, the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face to face meeting or by telephone, or in writing by exchange of correspondence.
- 53.9 Notwithstanding the foregoing, in the event of County's infringement of Contractor's intellectual property rights under the Agreement or violation by either party of the confidentiality obligations hereunder, the violated party shall have the right to seek injunctive relief against the other without waiting for the outcome of the Dispute Resolution Procedure.
- 53.10 Notwithstanding any other provision of this Agreement, County's right to terminate this Agreement or to seek injunctive relief to enforce the provisions of Paragraphs 21 (Confidentiality and Security) shall not be subject to this Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights and shall not be deemed to impair any claims that County may have against Contractor or County's rights to assert such claims after any such termination or such injunctive relief has been obtained.

#### **54. WAIVER**

No breach by either party of any provision of this Agreement can be waived unless done in writing. No waiver by either party of any breach of any provision of this Agreement shall

constitute a waiver of any other breach or of such provision. Failure to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Agreement shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

**55. CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER**

Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible without related danger to Contractor's or subcontractors' employees and suppliers. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services onsite, such staff members may perform any or all of their services remotely. Failure to comply with this requirement shall be considered a material breach of this Agreement by Contractor, for which County may immediately terminate this Agreement.

**56. DAMAGE TO COUNTY FACILITIES, BUILDINGS AND GROUNDS**

56.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

56.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand or, without limitation of all County's other rights and remedies provided by law or under this Agreement, County may deduct such costs from any amounts due Contractor from County under this Agreement.

**57. AUTHORIZATION WARRANTY**

Contractor represents and warrants that the person executing this Agreement or any Amendment thereto pursuant to Paragraph 4 (Changes to Agreement) for or on behalf of Contractor is an authorized agent of Contractor who has actual authority to bind Contractor to each and every term, condition and obligation of this Agreement, and that all requirements of Contractor have been fulfilled to provide such actual authority.

**58. FORMS AND PROCEDURES**

All forms and procedures used by Contractor in communication with County pursuant to this Agreement shall be subject to review and approval by County. Such forms and procedures shall not conflict in any way with this Agreement and shall incorporate the terms and conditions of this Agreement. In the event of any conflict between such forms and procedures and this Agreement, the provisions of this Agreement shall prevail.

**59. MINIMUM AGE, LANGUAGE SKILLS AND LEGAL STATUS OF CONTRACTOR PERSONNEL**

Contractor cannot assign employees under the age of eighteen (18) to perform work under this Agreement. All of Contractor's employees working at County facilities must be able to

communicate in English. Contractor's employees must be United States citizens or legally present and permitted to work in the United States.

## 60. VALIDITY AND SEVERABILITY

### 60.1 VALIDITY

The invalidity, unenforceability or illegality of any provision of this Agreement shall not render the other provisions hereof invalid, unenforceable or illegal, unless the essential purposes of this Agreement shall be materially impaired thereby.

### 60.2 SEVERABILITY

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement, if practicable, and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid in its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law. If any provision of this Agreement is adjudged void or invalid for any reason whatsoever, but would be valid if part of the wording thereof were deleted or changed, then such provision shall apply with such modifications as may be necessary to make it valid and effective.

## 61. NOTICES

61.1 All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (i) by hand with signed receipt; (ii) by first class registered or certified mail, postage prepaid; or (iii) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid. Notices shall be deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, or on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing. Addresses may be changed by either party by giving ten (10) days prior written notice thereof to the other party.

61.2 Director shall have the authority to issue all notices or demands which are required or permitted to be issued by County under this Agreement.

61.3 To County, notices shall be sent to the attention of County's Project Manager and County's Project Director at the respective addresses specified in Section I (County Key Personnel) of Exhibit G (Administration of Agreement).

To Contractor, notices shall be sent to the attention of Contractor's Project Manager at the address specified in Section II (Contractor Key Personnel) of Exhibit G (Administration of Agreement), with a copy to: *SAS Institute Inc., ATTN: Office of General Counsel, 100 SAS Campus Drive, Cary, North Carolina 27513-8617.*

61.4 Each party may change the names of the people designated to receive notices pursuant to this Paragraph 61 by giving written notice of the change to the other party, subject to County's right of approval in accordance with Paragraph 3.3 (Approval of Contractor's Staff).

**62. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF AGREEMENT**

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any services provided by Contractor after the expiration or other termination of this Agreement. Should 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 Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. The provisions of this Paragraph 62 shall survive the expiration or other termination of this Agreement.

**63. ARM'S LENGTH NEGOTIATIONS**

This Agreement is the product of arm's length negotiations between Contractor and County. Consequently, each party has had the opportunity to receive advice from independent counsel of its own choosing. This Agreement is to be interpreted fairly as between the parties and not strictly construed as against either party.

**64. NON-EXCLUSIVITY**

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

**65. ACCESS TO COUNTY FACILITIES**

Contractor, its employees and agents, will be granted access to County facilities, subject to Contractor's prior notification to County's Project Director, for the purpose of executing Contractor's obligations hereunder. Access to County facilities shall be restricted to normal business hours, 8:00 a.m. until 5:00 p.m., Pacific Time, Monday through Friday, County observed holidays excepted. Access to County facilities outside of normal business hours must be approved in writing in advance by County's Project Director, which approval shall not be unreasonably withheld. Contractor shall have no tenancy, or any other property or other rights, in County facilities. While in nonpublic or restricted areas of County, Contractor's personnel shall be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by County's Project Director.

**66. PHYSICAL ALTERATIONS**

Contractor shall not in any way physically alter or improve any County facility without the prior written approval of Director, County's Project Director, County's Project Manager and the Director of County's Internal Services Department, in their discretion.

**67. DELIVERY AND RISK OF LOSS**

Contractor shall bear the full risk of loss due to total or partial destruction of the System Components or System Software loaded on CDs or other computer media until such items are delivered to and accepted in writing by County.

**68. STAFF PERFORMANCE WHILE UNDER INFLUENCE**

Contractor shall use reasonable efforts to ensure that no employee of Contractor shall perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic or other substance, which might impair his/her physical or mental performance.

**69. ASSIGNMENT BY COUNTY**

This Agreement may be assigned in whole or in part by County, without the further consent of Contractor, to a party which is not a competitor of Contractor and which agrees in writing to perform County's obligations under this Agreement.

**70. CAPTIONS AND PARAGRAPH HEADINGS**

Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

**71. NOTICE OF DELAYS**

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall immediately, but no later than within one (1) business day, give to the other party notice thereof, with all relevant information with respect to such actual or potential delay, by telephoning the appropriate personnel of that party, followed by a written notification within one (1) business day.

**72. COUNTY POLICY REGARDING RECYCLED PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled content paper to the maximum extent possible for the purpose of this Agreement.

**73. COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM**

**73.1 JURY SERVICE PROGRAM**

This Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service Program (hereinafter "Jury Service Program" or "Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code (hereinafter "County Code").

**73.2 WRITTEN EMPLOYEE JURY SERVICE POLICY**

73.2.1 Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees (as defined in Paragraph 73.2.2 below) shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the Employee's regular pay the fees received for jury service.

- 73.2.2 For purposes of this Paragraph 73, “Contractor” means a person, partnership, corporation or other entity which has an agreement with County or a subcontract with Contractor and has received or will receive an aggregate sum of \$50,000 or more in any twelve (12) month period under one or more County agreements or subcontracts. “Employee” means any California resident who is a full time employee of Contractor. “Full time” means forty (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 County, or 2) Contractor has a longstanding practice that defines the lesser number of hours as fulltime. Fulltime employees providing short term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered fulltime for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph 73. The provisions of this Paragraph 73 shall be inserted into any such subcontract and a copy of the Jury Service Program shall be attached to the agreement.
- 73.2.3 If Contractor is not required to comply with the Jury Service Program when the Agreement commences, Contractor shall have a continuing obligation to review the applicability of its “exception status” from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during this Agreement and at its sole discretion, that Contractor demonstrate to County’s satisfaction that Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that Contractor continues to qualify for an exception to the Program.
- 73.2.4 Contractor’s violation of this Paragraph 73 of this Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate this Agreement with Contractor and/or bar Contractor from the award of future County agreements for a period of time consistent with the seriousness of the breach.

**74. CHARITABLE ACTIVITIES COMPLIANCE**

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The “Nonprofit Integrity Act of 2004” (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. Contractor shall complete the certification in Exhibit I (Charitable Contributions Certification). By requiring contractors to complete the certification in Exhibit I (Charitable Contributions Certification), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with the California law in order to protect County and its taxpayers. By receiving or raising charitable contributions without complying with its obligations under California law, Contractor commits a material breach of this Agreement, subjecting it to either Agreement termination or debarment proceedings or both (County Code Chapter 2.202).

**75. CONTRACTOR’S ACKNOWLEDGEMENT OF COUNTY’S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County’s policy to



encourage all County's Contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used.

**76. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

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 H (Safely Surrendered Baby Law) of this Agreement and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**77. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM**

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

77.2 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 Local Small Business Enterprise.

77.3 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 Local Small Business Enterprise.

77.4 If Contractor has obtained County certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, when Contractor 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 Contractor has been awarded this Agreement to which it would not otherwise have been entitled, Contractor shall:

1. Pay to County any difference between the Agreement amount and what County's costs would have been if the Agreement had been properly awarded; and
2. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

77.5 The above shall also apply if Contractor is no longer eligible for certification as a result of a change of its status and Contractor failed to notify the State and County's Office of Affirmative Action Compliance of this information.

**78. SHRED DOCUMENTS**

Contractor shall ensure that all confidential documents/papers, as defined under State law (including, but not limited to Welfare & Institutions Code Sections 10850, 17006) relating to this Agreement must be shredded and not put in trash containers when Contractor disposes of these documents/papers. All documents/papers to be shredded are to be placed in a locked or

secured container/bin/box and labeled "shred" until they are destroyed. No confidential documents/papers are to be recycled.

Documents for record and retention purposes in accordance with Paragraph 27 (Records and Audits) of this Agreement are to be maintained for a period of five (5) years.

## **79. SURVIVAL**

In addition to any provisions in this Agreement which specifically state that they shall survive the termination or expiration of the Agreement, the provisions in the following Paragraphs shall also survive the expiration or termination of this Agreement for any reason:

- 2.4 Approval of Work
- 9.5 County's Right to Withhold Payment
- 10. System Ownership and License
- 13. Warranties and Correction of Deficiencies
- 14. Indemnification
- 15. Insurance and Performance Security
- 16. Proprietary Considerations
- 17. Intellectual Property Indemnification
- 20. Disclosure of Information
- 21. Confidentiality and Security
- 22. Termination for Default
- 23. Termination for Convenience
- 24. Termination for Insolvency
- 25. Termination for Improper Consideration
- 27. Records and Audits
- 36. Compliance with Applicable laws
- 37. Fair labor Standards
- 41. Employment Eligibility Verification
- 47. County Audit Settlements
- 48. Federal Access to Records
- 51. No Third Party Beneficiaries
- 52. Governing Law, Jurisdiction and Venue
- 60. Validity and Severability
- 78. Shred Documents

IN WITNESS WHEREOF, County and Contractor by their duly authorized signatures have caused this Agreement to be effective on the day, month and year first above written.

**COUNTY OF LOS ANGELES:  
CHIEF EXECUTIVE OFFICE**

By \_\_\_\_\_  
WILLIAM T FUJIOKA  
Chief Executive Officer

**CONTRACTOR:  
SAS INSTITUTE, INC.**

By \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name  
\_\_\_\_\_  
Title

**APPROVED AS TO FORM:**

ANDREA SHERIDAN ORDIN  
County Counsel

By \_\_\_\_\_  
VICTORIA MANSOURIAN  
Deputy County Counsel



**EXHIBIT A**  
**STATEMENT OF WORK**  
**FOR**  
**ENTERPRISE LINKAGES PROJECT**

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**EXHIBIT A**  
**STATEMENT OF WORK**

**1. GENERAL**

This Exhibit A (“SOW”) consists of instructions, tasks, subtasks, deliverables, goods, services and other work (“Work”) to be provided by Contractor to County as part of the Enterprise Linkages Project (ELP), including software Licenses, System Implementation, System Maintenance and any Optional Work, which shall meet the requirements of this Agreement, including Attachment A.1 (System Requirements) and Exhibit D (System Maintenance). Contractor shall perform, complete and deliver all Work, however denoted, as set forth in this SOW, or in any attached or referenced document, in full compliance with the Agreement.

**1.1 Overview**

The ELP is consistent with the Board approved recommendation of October 6, 2009 directing County's Chief Executive Office (CEO) Service Integration Branch (SIB) and Department of Public Social Services (DPSS) to expand the existing ALP pilot reporting capability to the ALP Solution in order to provide County with the capacity for real-time identification of individual General Relief (GR) recipients who are heavy users of other services provided through various County Departments.

The scope of the Project consists of the following components: (1) implementation of the ALP Solution in a System Environment hosted by Contractor (Hosting Environment) by using both Existing Software provided by Contractor under any Prior Agreement with Contractor for Licenses of such Existing Software and New Software provided by Contractor under the current Agreement, including upgrade of the Existing Software for the ALP; (2) migration of the Existing Environment from SIB's existing SUN server to Contractor's Hosting Environment in North Carolina; and (3) provision by Contractor of any other solutions upon County's request and mutual agreement of the parties as provided herein.

The ELP application technology used for the ALP Solution will provide a web-based interface to enable authorized users from DPSS and the Center for Community Health perform searches using specified criteria in order to obtain summarized views of all services and the cost to County Departments for providing GR recipients and indigent adults with such services. This interface will eliminate redundancies, link recipients with services in a more efficient manner and reduce the need for certain types of services, all leading to significant cost avoidance for the Departments providing services to County's GR population. The provision of these targeted services is also expected to boost the number of GR recipients gaining either employment or approval for Supplemental Security Income (SSI), thereby leading to additional cost avoidance across County Departments.

As part of the ELP, Contractor shall provide a comprehensive ALP Solution, including the installation and configuration of all necessary software, the provision of data quality and data integration solutions, the development of analytical reports and provision of other services required for the implementation of the ALP Solution in order to meet the business, functional, interface and technical requirements set forth in Attachment A.1 (System Requirements). The primary objective of this Project is to implement a technology solution which will assist DPSS as well as other County Departments involved in the ongoing provision of services to GR recipients with information on the General Relief (GR) population's complex service utilization patterns along with the costs Departments face in making these services available to recipients.

1.2 Instructions

All Work under this Agreement shall be performed at the rates and fees set forth in Exhibit B (Schedule of Payments) in accordance with the Project Schedule set forth in Exhibit C (Project Schedule). Contractor shall perform, complete and deliver all Work, however denoted, as set forth in this Statement of Work. Also defined herein are those Tasks and Subtasks that involve participation of both Contractor and County. Unless otherwise specified as an obligation of County, Contractor shall perform all Tasks and Subtasks and provide all Deliverables as defined herein. For the purpose of this Agreement, a Deliverable shall be deemed complete upon County's approval and acceptance thereof subject to the provisions of the Agreement, irrespective of the number of tries it takes Contractor to provide a successful Deliverable.

Unless otherwise specified herein, the Tasks, Subtasks and Deliverables in this Statement of Work are subject to the System Requirements and shall be subject to County approval as set forth in Paragraph 5 (Scope of Work) of the Base Agreement.

Contractor shall submit each Deliverable to County in 12 point Arial or New Times Roman font electronically in the Microsoft Office Suite version and as required or specified by County.

1.3 Definitions

Capitalized terms used in this Statement of Work without definitions have the meanings given to such terms in the Base Agreement.

The definitions set forth in this Section 1.3 below shall be used for the purpose of this Exhibit A and are in addition to the definitions set forth elsewhere in the Agreement.

1. The term A&R Document shall have the meaning specified in Subtask 3.1 – Provide Client Environment Specifications.
2. The term ALP Live shall have the meaning specified in Subtask 5.3 – Transition to Production Environment.
3. The term Analytics Live shall have the meaning specified in Deliverable 2.5 – Analytics Solution Certification.
4. The term CCMP shall have the meaning specified in Subtask 1.1 – Develop Project Control Document.
5. The term Dev/Test Server shall mean and refer to a separate Server Environment, established by Contractor in a System Environment smaller than the Production Environment, designed to allow County and Contractor access to develop and test various programs and components of the ELP prior to any code being promoted to the Production Environment. The Dev/Test Server environment shall be established to support up to ten (10) Users for County access for development and testing activities, unless otherwise agreed to by the parties.
6. The term DMP shall have the meaning specified in Subtask 1.1 – Develop Project Control Document.
7. The term Go-Live shall have the meaning specified in Deliverable 5.3 – System Production Use.
8. The term Hosting Site shall have the meaning specified in Subtask 2.2 – Install Hosting Environment.



9. The term Knowledge Transfer shall have the meaning specified in Subtask 2.2 – Install Hosting Environment.
10. The term Migration Plan shall have the meaning specified in Subtask 2.1 – Develop Migration Plan.
11. The term Portal(s) shall have the meaning specified in Subtask 4.2 – Develop User Interfaces.
12. The term PCD shall have the meaning specified in Subtask 1.1 – Develop Project Control Document.
13. The term PCP shall have the meaning specified in Subtask 1.1 – Develop Project Control Document.
14. The term PWP shall have the meaning specified in Subtask 1.1 – Develop Project Control Document.
15. The term RMP shall have the meaning specified in Subtask 1.1 – Develop Project Control Document.
16. The term SOW shall have the meaning specified in Section 1 (General).
17. The term Status Report shall have the meaning specified in Subtask 1.2 – Prepare Status Reports and Conduct Conferences.
18. The term System Maintenance Plan shall have the meaning specified in Subtask 7.1 – Provide System Maintenance Plan.
19. The term Warranty Period shall have the meaning specified in Subtask 5.4 – Conduct Final Acceptance Test.
20. The term Work shall have the meaning specified in Section 1 (General).

**2. SCOPE OF WORK**

This section describes the primary Work that Contractor shall perform, which includes:

- Task 1 – Project Administration**
- Task 2 – Hosting Environment**
- Task 3 – Client Environment**
- Task 4 – ALP Solution**
- Task 5 – System Acceptance**
- Task 6 – System Training and Documentation**
- Task 7 – System Maintenance**
- Task 8 – Optional Work**

To accomplish the Work, Contractor shall work collaboratively with key stakeholders, including Users and State and federal governments and other external agencies, the System Data of which will interface with the ALP Solution.

**TASK 1 – PROJECT ADMINISTRATION**

Contractor shall provide full project management, planning, monitoring, supervision, tracking and control for all Project activities during the term of the Agreement. Contractor shall employ

project management standards and practices in the performance of all Work including, but not limited to, the following:

- A. Managing Contractor technical staff;
- B. Planning and championing Tasks and related activities;
- C. Providing status reports to County's management and steering committee members;
- D. Issuing reporting summary status;
- E. Adhering to established version controls and changing management policies;
- F. Resolving technical design issues; and
- G. Coordinating with all Departments and participating agencies, as appropriate.

**SUBTASK 1.1 – DEVELOP PROJECT CONTROL DOCUMENT**

Contractor shall review the System Requirements with County's Project Manager. Based upon that review, Contractor shall prepare a Project Control Document ("PCD") and submit it to County's Project Manager for written approval. Any subsequent significant modifications to the PCD shall be subject to the provisions of the Base Agreement.

The PCD shall include, but not be limited to, the following:

- 1. All Work described in this Statement of Work and elsewhere in the Agreement;
- 2. A Project Work Plan (in this Exhibit A, "PWP"), developed in County-specified version of Microsoft Project, which shall include:
  - a. All Deliverables, including those referenced in the Schedule of Payments,
  - b. All Tasks, Subtasks and other Work,
  - c. Associated dependencies among Deliverables, Tasks, Subtasks and other Work,
  - d. Resources assigned to each Deliverable, Task, Subtask and other Work;
  - e. Start date and date of completion for each Deliverable, Task, Subtask and other Work;
  - f. Proposed County review period for each Deliverable, and
- 3. Proposed milestones;
- 4. Identification of all Contractor's Key Personnel;
- 5. A comprehensive Deficiency Management Plan (in this Exhibit A, "DMP"), documenting the approach to Deficiency management, including methodology, recommended tool(s) and escalation process;
- 6. A comprehensive Project Communication Plan (in this Exhibit A, "PCP");
- 7. A comprehensive Risk Management Plan (in this Exhibit A, "RMP"), documenting the approach to risk analysis (e.g., the evaluation of risks and risk interactions to assess the range of possible project outcomes), risk mitigation (e.g., the identification of ways to minimize or eliminate project risks) and risk tracking/control (e.g., a method to ensure that all steps of the risk management process are being followed and, risks are being mitigated effectively). The RMP shall have a clearly established process for problem escalation and shall be updated, as needed, through the term of the Agreement;

8. Initial identification of risks that may impact the timely delivery of the ALP, probability and potential impact, recommended mitigation strategy and impact of implementing any risk mitigation strategies;
9. Project staffing and resource management plan; and
10. Configuration and Change Management Plan (in this Exhibit A, "CCMP"). Changes, in this context, refer to changing the functionality of or adding additional functionality (e.g., changes to the Project scope) to any ALP component. The approach shall ensure that the impacts and rationale for each change are analyzed and coordinated prior to being approved. The CCMP may vary from item to item, as determined by County's Project Director.

The PCD shall also provide for the System installation and configuration plan, including as it relates to the System Software and System Environment, implementation of the System Software, development of the ALP Baseline Interfaces, migration of SIB's current application and data files, system administration and security, technical support and knowledge transfer, and related Documentation. The PCD may be modified only if such modification has been approved in advance in writing by County's Project Manager.

#### **DELIVERABLE 1.1 – PROJECT CONTROL DOCUMENT**

Contractor shall provide and finalize the PCD in accordance with Subtask 1.1 – Develop Project Control Document. The PCD shall be the basis for the Project Work Plan, attached to the Agreement as Exhibit C (Project Work Plan), which may be updated upon finalization of the PCD.

#### **SUBTASK 1.2 – PREPARE STATUS REPORTS AND CONDUCT CONFERENCES**

Contractor shall provide ongoing Project administration, which, unless otherwise specified in the PCD or agreed to by County and Contractor, shall include, but not be limited to, the following:

1. ALP monthly status reports; and
2. Updates to the PCD, including PWP and RMP.

Contractor's Project Manager shall provide full Project management and control of Project activities as listed in this Task 1 – Project Administration. Contractor's Project Manager shall present to County's Project Manager a written Project status report (in this Exhibit A, "Status Report") documenting Project progress, plans and outstanding issues. Contractor's Project Manager shall meet with or conduct a status update phone call with County's Project Manager on a weekly basis, or as otherwise agreed to by County and Contractor, to review the Project Status Reports and any related matters. All variances shall be presented to County for approval at the status meeting.

Status Reports shall include, but not be limited to, the following:

1. Project planning and direction;
2. Contractor staffing and personnel matters, including management of Contractor technical staff;
3. Evaluation of results and status reporting;
4. Incorporation of County's System Requirements, including all business and technical requirements;

5. Incorporation of required software modification, if any; and
6. Management and tracking of all issues and their resolution.

Contractor's Project Manager and County's Project Manager shall report Project status on a regular basis and shall participate in monthly status meetings. The project and reporting system shall include, but not be limited to, the following components:

7. Kick off meeting;
8. Updated PCD; and
9. Status Reports and meetings or teleconferences.

The Project Status Reports prepared by Contractor's Project Manager pursuant to this Subtask 1.2 – Prepare Status Reports and Conduct Conferences shall be used as the mechanism for Contractor to report any Project risks or problems identified as part of the ALP implementation process.

#### **DELIVERABLE 1.2 – STATUS REPORTS AND CONFERENCES**

Contractor's Project Manager shall prepare and present to County's Project Manager written Status Reports documenting project progress, plans and outstanding issues and meet with or conduct a status update phone call with County's Project Manager at least monthly, or as otherwise agreed to by County and Contractor, to review these Project Status Reports and any related matters, as provided in Subtask 1.2 – Prepare Status Reports and Conduct Conferences. All variances shall be presented for County's approval at the status conferences. The first Status Report shall be presented to County's Project Manager two (2) week following the Effective Date in a format approved by County.

#### **TASK 2 – HOSTING ENVIRONMENT**

Contractor shall migrate the Existing Environment from SIB's SUN Server to Contractor's Hosting Environment in North Carolina as provided in this Task 2 – Hosting Environment below. Contractor shall upgrade, if necessary, and re-install any Existing Software and any New Software.

##### **SUBTASK 2.1 – DEVELOP MIGRATION PLAN**

Contractor shall develop a plan for transitioning and migrating the Existing Environment, including data files, to Contractor's Hosting Environment in North Carolina ("Migration Plan"). The Migration Plan shall contain, at a minimum, the following:

1. A Project Work Plan identifying the Work required, estimated time duration for each, individual or collaborative responsibilities and targeted Analytics Live date;
2. Risks associated with the migration with risk mitigation plan;
3. System performance acceptance standards;
4. Testing strategies; and
5. Analytics Live Plan.

Contractor shall provide written draft of the Migration Plan to County's Project Manager within thirty (30) Business Days following the Effective Date for County's review. Contractor shall modify the Migration Plan as required by County for finalizing the Migration Plan.

County and Contractor shall mutually agree upon a targeted ALP Live date for the ALP Solution at the Hosting Environment.

**DELIVERABLE 2.1 – MIGRATION PLAN**

Contractor shall provide to County for approval a final Migration Plan in accordance with Subtask 2.1 – Develop Migration Plan.

**SUBTASK 2.2 – INSTALL HOSTING ENVIRONMENT**

Contractor shall set up and install web-server hosting site (hereinafter “Hosting Site”) for both Production Server and the Dev/Test Server. The Hosting Site for the Production Server and the Dev/Test Server shall be located within the forty-eight (48) contiguous United States. Contractor shall be fully responsible for securing and maintaining the Hosting Site for each of the Production Server and the Dev/Test Server throughout the term of this Agreement. Contractor shall provide all necessary, and be responsible for, hardware, software and other equipment for the Hosting Site for the Production Server and the Dev/Test Server, provided, however, that if additional hardware, including data storage, is needed due to a substantive increase in the scope of the Project, then such hardware will be paid for by County as mutually agreed to by the parties, as further specified in Subtask 7.1 – Provide System Maintenance Plan.

Contractor shall specify and provide to County for approval the recommended configuration Specifications for the System, including System Hardware, System Software, System Network and Third Party Software, which shall be documented in Attachment A.2 (System Configuration). Contractor shall report and document integration and compatibility of the Existing Software and all Application Software for the ALP Solution, including the Existing Software and the New Software.

Contractor shall install, configure and test all System Hardware and System Software at the Production Server and the Dev/Test Server at the Hosting Site in accordance with the System configuration Specifications provided by Contractor. The installation and configuration tasks to be performed by Contractor under this Subtask 2.2 – Install Hosting Environment shall include, without limitation:

1. Review of System Hardware and System Software configuration;
2. Installation of the System Hardware and System Software;
3. Initialization of the foundation repositories;
4. Initialization of the directory profile and hierarchy;
5. Installation of Client Software, if any, as specified in Task 3 – System Requirements for Client Environment;
6. Configuring the installed System Hardware and System Software, initial security policies, initial environments and initial metadata repositories;
7. Performing validation tests using data selected by Contractor to verify proper functionality; and
8. Providing County’s system administrator with installation knowledge transfer (in this Exhibit A, "Knowledge Transfer"), describing the basic architecture, configuration and interaction of the System Hardware and System Software.

**DELIVERABLE 2.2 – HOSTING ENVIRONMENT CERTIFICATION**

Contractor's Project Director shall certify to County, in writing, that the Hosting Site for the Production Server and the Dev/Test Server has been established and all the Core Software has been properly installed and meets all applicable Specifications in accordance with Subtask 2.2 – Install Hosting Environment.

**SUBTASK 2.3 – PROVIDE DATA INTERFACES**

Contractor shall provide the Data Interfaces in the form of a File Transfer Protocol (FTP) site for the transfer of all County Data to the Hosting Environment. Contractor shall advise County if the FTP site is not ready and work with County, as necessary, to resolve any and all problems.

**DELIVERABLE 2.3 – DATA INTERFACES VALIDATED**

Contractor shall validate and certify in writing to the satisfaction of County's Project Manager the Data Interfaces as being properly set up and ready for County to transfer all required County Data to the Hosting Environment in accordance with Subtask 2.3 – Provide Data Interfaces.

**SUBTASK 2.4 – MIGRATE EXISTING ENVIRONMENT**

Within the timeline specified in the Migration Plan and prior to the Analytics Live at the Hosting Site, Contractor shall migrate the Existing Environment, including the data files, to the Hosting Environment and notify County's Project Manager. County and Contractor shall test and verify that the data files have been successfully migrated and that the Hosting Environment contains all applicable application files and the data files. All System testing under this Subtask 2.4 – Migrate Existing Environment shall be repeated, as necessary, in order to reach acceptance and readiness for the Analytics Live. County will report all Deficiencies indentified as a result of County's testing and validation of live data. Contractor shall correct all Deficiencies identified by County or Contractor during System testing and shall verify, in writing to County's Project Manager, that all Deficiencies have been corrected.

**DELIVERABLE 2.4 – VALIDATION OF MIGRATION OF EXISTING ENVIRONMENT**

Contractor shall validate and certify in writing, to the satisfaction of County successful migration of the Existing Environment to the Hosting Site in accordance with Subtask 2.4 – Migrate Existing Environment.

**SUBTASK 2.5 – IMPLEMENT ANALYTICS SOLUTION**

Contractor shall install all New Software and upgrade the Existing Software that is part of the Analytics Solution. Contractor shall report and document integration and compatibility of the Existing Software and all Application Software that is part of the Analytics Solution with the ALP Solution, including the Existing Software and the New Software.

**DELIVERABLE 2.5 – ANALYTICS SOLUTION CERTIFICATION**

Contractor's Project Director shall certify to County, in writing, that the Analytics Solution has been installed, configured and tested at the Production Server, as applicable,

in accordance with Subtask 2.5 – Implement Analytics Solution and meets all applicable Specifications for the System.

The System shall achieve "Analytics Live" upon County's approval of this Deliverable 2.5 – Analytics Solution Certification, commencing upon which Contractor shall be responsible for providing System Maintenance for the Analytics Solution as set forth in Exhibit D (System Maintenance).

### **TASK 3 – SYSTEM REQUIREMENTS FOR CLIENT ENVIRONMENT**

#### **SUBTASK 3.1 – PROVIDE CLIENT ENVIRONMENT SPECIFICATIONS**

Contractor, with assistance and cooperation from County's Project Manager, shall provide the System Requirements for the Client Environment, including those applicable to the Client Software.

#### **DELIVERABLE 3.1 – CLIENT ENVIRONMENT SPECIFICATIONS**

Contractor shall provide System Requirements and Specifications for the Client Environment in accordance with Subtask 3.1 – Provide Client Environment Specifications.

#### **SUBTASK 3.2 – INSTALL CLIENT SOFTWARE**

Contractor shall install and configure one instance, or as otherwise may be agreed to by the parties, Client Software in the Client Environment consistent remotely or on-site, as agreed to by County and Contractor, and provide sufficient Knowledge Transfer to enable County staff to perform own future installations of Client Software.

#### **DELIVERABLE 3.2 – CLIENT SOFTWARE INSTALLED**

Contractor shall install, and/or assist County in the installation of, Client Software, as provided in Subtask 3.2 – Install Client Software.

### **TASK 4 – ALP SOLUTION**

#### **SUBTASK 4.1 – DEVELOP DESIGN SPECIFICATIONS DOCUMENT**

Contractor shall work with County staff to create the Project design specifications document ("Design Specifications Document" or "DSD") based on the System Requirements, which DSD shall, at a minimum, address the following areas:

1. Data specifications (input/output sources);
2. Data model and metadata environment design;
3. Accessing the data repository;
4. Deployment of Baseline Interfaces;
5. Security processes;
6. Technical architecture specification; and
7. Test Plans.

County will be responsible for providing Contractor's team with complete access to appropriate County staff, facilities and information pertaining to data dictionaries, data

models, network diagrams, etc. for all data sources, as well as providing feedback to Contractor's team during the Design Specifications Document review.

**DELIVERABLE 4.1 – DESIGN SPECIFICATIONS DOCUMENT**

Contractor shall submit the project Design Specifications Document in accordance with Subtask 4.1 – Develop Design Specifications Document, which will document and address the following:

1. All items specified in Subtask 4.1 – Develop Design Specifications Document;
2. Various data sources;
3. Periodicity of update;
4. ALP data consolidation;
5. Baseline Interfaces; and
6. Security administration elements.

**SUBTASK 4.2 – DEVELOP USER INTERFACES**

Contractor shall work in conjunction with County staff to develop User Interfaces (also “Portal(s)”) based on the Design Specifications Document developed pursuant to Subtask 4.1 – Develop Design Specifications Document and as required hereunder to meet the System Requirements.

Development of the User Interfaces will include developing the web-based end-user Baseline Interfaces to surface the consolidated ALP data of all cases that can be queried easily by end-users.

**DELIVERABLE 4.2 – USER INTERFACES VALIDATED**

Contractor shall provide to County's Project Manager a written report documenting the results of User Interfaces successfully developed in accordance with Subtask 4.2 – Develop User Interfaces.

**SUBTASK 4.3 – IMPLEMENT ALP SOLUTION**

Contractor shall install, configure and validate the functionality of all Server Software for the ALP Solution, including all applicable Existing Software, New Software and Baseline Interfaces (including reporting interfaces), in the Hosting Environment. County's approval shall be required before this Subtask 4.3 – Implement ALP Solution is deemed complete.

**DELIVERABLE 4.3 – CERTIFICATION FOR IMPLEMENTED ALP SOLUTION**

Contractor shall certify, in writing, that the Baseline Application, including all Baseline Interfaces, has been properly implemented consistent with all System Requirements applicable to the ALP, as further specified in Subtask 4.3 – Implement ALP Solution.



## **TASK 5 – SYSTEM ACCEPTANCE**

### **SUBTASK 5.1 – CONDUCT SYSTEM TEST**

Contractor shall conduct the System Test to verify that each System component functions according to the System Requirements and the Specifications as provided in this Subtask 5.1 – Conduct System Test.

Contractor shall correct any and all Deficiencies discovered during the System Test and install corrections into the System. County shall verify that the System as corrected functions in accordance with the System Requirements and the Specifications. The System Test shall be deemed complete when all Deficiencies have been resolved and County has documented successful completion of the System Test.

The System Test shall include without limitation the following activities:

1. Development of System documentation, including System architecture diagram for System Software, System Environment and System Data;
2. Ensuring user interaction/comprehension level;
3. Ensuring that accurate data is being captured;
4. Ensuring that optimal solutions for ALP are developed; and
5. Ensuring that security plan is operational.

The System Test is a major Project milestone during which County, with the assistance of Contractor, will test comprehensively the ALP Solution against the Specifications and the System Requirements to determine whether the System is ready for the ALP Live and, consequently, the Go-Live.

### **DELIVERABLE 5.1 – SYSTEM TEST CERTIFICATION**

Contractor shall conduct the System Test, which may include, but not be limited to, the following testing tasks:

1. Performance and Load Test – to demonstrate that the ALP can successfully meet the System Performance Requirements under full load conditions.
2. Security Test – to demonstrate that the ALP can successfully meet all County security requirements.
3. Data Interface Test – to demonstrate that all Data Interfaces are working properly and adhere to the System Requirements and the Specifications.
4. Reports Test – to verify the correct layouts, format and distribution of all ALP generated reports with supporting procedures.
5. User Interface Test – to demonstrate that User Interfaces meet the System Requirements and the Specifications.

At the end of System Test, Contractor shall prepare report summarizing the activities, types of tests and test results. Contractor, shall prepare supporting documentation, conduct a review at a meeting with County and provide any appropriate demonstration(s) of ALP capabilities. County shall be able to participate and observe any aspects of the System Test. Contractor shall correct all Deficiencies discovered during the System Test prior to Go-Live.

Contractor shall submit a written certification of completion of the System Test to County within ten (10) days after successful completion of the System Test, certifying that (i) all requirements traceability to all tests and test results have been verified, (ii) all Deficiencies identified by Contractor during the System Test have been corrected, (iii) all corrections have been approved by County's Project Director, and (iv) all other System Test related activities specified under Subtask 5.1 – Conduct System Test have been completed.

**SUBTASK 5.2 – SUPPORT USER ACCEPTANCE TEST**

Contractor shall assist and support County in conducting the User Acceptance Test (UAT) to verify that the System functions according to the System Requirements and the Specifications. The User Acceptance Test conducted by County may include any or all test components specified in Subtask 5.1 – Conduct System Test and Deliverable 5.1 – System Test Certification.

Upon completion of the UAT, County shall report any identified Deficiencies to Contractor. Contractor shall correct any Deficiencies discovered during the UAT and install corrections into the System. County shall verify that the System as corrected functions in accordance with the System Requirements and the Specifications. The UAT shall be deemed complete when all Deficiencies have been resolved, and County has documented successful completion of the UAT.

**DELIVERABLE 5.2 – USER ACCEPTANCE TEST CERTIFICATION**

Contractor shall submit a written certification of completion of the UAT to County within ten (10) days after County's completion of the UAT, certifying that (i) all requirements traceability to all tests and test results have been verified, (ii) all Deficiencies identified by County during the UAT have been corrected by Contractor, (iii) all corrections have been approved by County's Project Director, and (iv) all other UAT related activities specified under Subtask 5.2 – Support User Acceptance Test have been completed.

**SUBTASK 5.3 – TRANSITION TO PRODUCTION ENVIRONMENT**

Following the completion of the System Test and County's approval that the System meets the System Requirements and the Specifications, Contractor shall transition the System from the Test Environment to the Production Environment by performing all applicable tasks under Task 3 – System Requirements for Client Environment, Task 4 – ALP Solution and the necessary System testing in the Production Environment.

The ALP Solution shall achieve "ALP Live" and be ready for Production Use upon completion of this Deliverable 5.1 – System Test Certification and County Project Director's approval of certification provided herein.

**DELIVERABLE 5.3 – SYSTEM PRODUCTION USE**

The System shall achieve "Go-Live" and be ready for Production Use when Contractor provides to County, and County approves, documented results certifying that the System was successfully transition to the Production Environment pursuant to Subtask 5.3 – Transition to Production Environment.

Commencing with Go-Live and continuing through the Warranty Period, any problems encountered by County in the use of the System shall be subject to the applicable System Maintenance terms under the Agreement.

**SUBTASK 5.4 – CONDUCT FINAL ACCEPTANCE TEST**

Following successful transitioning of the System to the Production Environment, County will monitor the System for Deficiencies while Contractor maintains the System in Production Use for a minimum of ninety (90) days ("Warranty Period"). Upon occurrence of a Deficiency, Contractor shall correct such Deficiency pursuant to, and subject to the provisions of the Base Agreement and Exhibit D (System Maintenance). The System shall achieve Final Acceptance if and when all Deficiencies identified during the ninety (90) day period have been corrected, even if the last correction occurs after such ninety (90) day period.

**DELIVERABLE 5.4 – FINAL ACCEPTANCE**

The System shall achieve Final Acceptance upon Contractor's correction to the satisfaction of County of all Deficiencies discovered by County or Contractor during the ninety (90) day period, even if such correction occurs beyond the ninety (90) day period. Contractor shall provide written certification that the System complies with all System Requirements and the Specifications, documenting the review with County under this Deliverable 5.4 – Final Acceptance, including agenda, attendees, action items and other supporting documentation.

County and Contractor shall analyze the System Response Time and mutually agree on revising the System Response Time Requirements, if necessary, which shall modify Section 5.2 (System Performance Requirements and Deficiencies) of Exhibit D (System Maintenance) and Section 2.2.5 (Business Continuity) of Attachment A.1 (System Requirements) by executing a Change Notice in accordance with Paragraph 4.2 (Change Notices) of the Base Agreement.

**TASK 6 – SYSTEM TRAINING AND DOCUMENTATION**

**SUBTASK 6.1 – PROVIDE SYSTEM TRAINING**

As part of System Training, Contractor shall provide the designated County employees with Knowledge Transfer, including extensive working knowledge of the System Software capabilities, training in the administration of the System Software and free admission passes to County specified personnel for Contractor sponsored conferences and exhibits relating to the Project.

**DELIVERABLE 6.1 – TRAINING DOCUMENTATION**

Contractor shall provide to County Documentation supporting Knowledge Transfer provided in accordance with Subtask 6.1 – Provide System Training. Contractor shall deliver this Documentation in an electronic format as required by County.

**SUBTASK 6.2 – PROVIDE SYSTEM DOCUMENTATION**

Contractor shall prepare and provide County with the System and user reference Documentation for the ALP Solution and Analytics Solution procedures provided by Contractor under this Agreement. This Documentation shall provide County staff with a

comprehensive reference source of System functionality, ALP components and all System Maintenance activities listed in Task 7 – System Maintenance.

**DELIVERABLE 6.2 – SYSTEM DOCUMENTATION**

Contractor shall provide County with System Documentation in accordance with Deliverable 6.2 – System Documentation. Contractor shall deliver this Documentation in an electronic format as required by County.

**TASK 7 – SYSTEM MAINTENANCE**

**SUBTASK 7.1 – PROVIDE SYSTEM MAINTENANCE PLAN**

Contractor shall work in conjunction with County staff to develop a plan for System Maintenance, including Maintenance Services and Support Services (in this Exhibit A, "System Maintenance Plan"), covering ongoing operations, maintenance, support and administration of the System in accordance with Exhibit D (System Maintenance) to the Agreement. The System Maintenance Plan shall address, at a minimum, the following:

1. Backup - The analytic data and metadata environments should be backed up according to the post-deployment plan document;
2. Monitoring the ALP Solution platform environment; including job schedules, growth, back-up, restore, and user registration and utilization; acting as appropriate to maintain a stable, functioning environment for the ALP solution platform;
3. Measuring, managing and improving data quality;
4. Providing a Business Continuity Plan for the ALP platform pursuant to the Business Continuity provisions of Exhibit D (System Maintenance), which plan shall be identified at <http://www.sas.com/corporate/continuity.pdf> and further defined in Exhibit D (System Maintenance);
5. System upgrade benchmark as specified in Section 4.3 (System Performance) of Exhibit D (System Maintenance);
6. A set of benchmark operations that the Contractor can trend over time and will trigger an upgrade decision based on a pre-determined threshold. Trends can be forecasted to allow time to order, install and test additional hardware; and
7. Providing Project reporting plan, including schedule and structure of monthly status meetings and reports.

**DELIVERABLE 7.1 – SYSTEM MAINTENANCE PLAN**

Contractor shall prepare and provide a System Maintenance Plan that will address the specific Maintenance Services and Support Services requirements of the System in accordance with and relating to all items listed in Subtask 7.1 – Provide System Maintenance Plan, including but not limited to monitoring, maintaining, managing and backing-up the ALP Solution platform environment.

**SUBTASK 7.2 – PROVIDE SYSTEM MAINTENANCE**

Contractor shall provide System Maintenance, which shall include all goods and services necessary to manage, operate and support the ALP Solution to comply with the System Requirements and the Specifications and shall be provided during Support Hours for the term of the Agreement, as further specified in Exhibit D (System Maintenance). System

Maintenance shall include Maintenance Services, consisting of Software Updates, as well as Support Services, which include, but are not limited to, help-desk support during Support Hours (“Help Desk”), as requested or required by County.

The System Maintenance services shall include, without limitation:

1. Support for all System Hardware necessary for the ALP Solution;
2. Support of security and network activity and maintenance of web services;
3. Support for all System Software issues/problems;
4. Support for all System Software upgrades, updates, new releases, etc;
5. Support for all System Software fixes, patches, etc.; and
6. Access to knowledgeable Contractor personnel (i.e., Help Desk) who can answer questions on the use of the System or provide analysis on solutions to operational problems, which County may encounter during Support Hours.

As part of System Maintenance, Contractor shall also provide, at no additional cost beyond the Annual Fees, admission passes to County specified personnel for Contractor sponsored conferences and exhibits relating to the Project.

#### **DELIVERABLE 7.2 – SYSTEM MAINTENANCE**

Contractor shall provide System Maintenance in accordance with the terms of Subtask 7.2 – Provide System Maintenance, Exhibit D (System Maintenance) and the Base Agreement, which shall include, but not be limited to:

1. Providing and maintaining System Hardware, as appropriate;
2. Monitoring of security and network activity, and maintenance of web services;
3. Providing and maintaining System Software, as appropriate;
4. Providing Software Updates to System Software, as appropriate; and
5. Responding to Support Services requests made by County.

#### **SUBTASK 7.3 – PROVIDE ELP TRANSITION**

Upon County’s election to transition or transfer the ELP, including all Application Software, System Data and any ELP repository, from Contractor’s Hosting Environment to the new environment of County or County-selected vendor, Contractor shall provide to County support to ensure success of such transition or transfer (hereinafter “Transition Support” or “ELP Transition Support”). The ELP Transition shall be provided in accordance with the plan developed by Contractor (hereinafter “Transition Plan”). The ELP Transition Support, including any Transition Plan, shall be provided to County as Optional Work in the form of Professional Services (as described in Task 8 – Optional Work) in accordance with a mutually agreed upon Scope of Work and shall not exceed the Maximum Fixed Price, as may be further set forth in Exhibit B (Schedule of Payments). Unless specified otherwise in the applicable Scope of Work, the Transition Plan shall, at a minimum, include:

1. Identification of resource requirements needed to transition, host and operate the ELP at County or County-selected vendor data center(s);
2. Identification of transition team roles and responsibilities;
3. Proposed timeline for completion of transition activities;

4. Description of any necessary changes to the Client Environment and configuration of the Client Software;
5. Training plan and training of County-specified persons for the transition of the ELP and System Data; and
6. Information and supporting documentation, as required by County, related to volumes, file sizes and growth trends.

**DELIVERABLE 7.3 – ELP TRANSITION**

Upon County's election and mutual agreement to a Scope of Work, Contractor shall provide ELP transition, including Transition Support, in accordance with the Transition Plan, as specified in Subtask 7.3 – Provide ELP Transition.

Contractor shall commence the Transition Support at least ninety (90) days prior to the expiration or termination of the Agreement or as otherwise specified in the applicable Scope of Work.

**TASK 8 – OPTIONAL WORK**

**SUBTASK 8.1 – PROVIDE OPTIONAL WORK**

Following Final Acceptance, County may from time to time during the term of this Agreement submit to Contractor written requests for Optional Work using Pool Dollars, including Software Enhancements, consisting of Customizations and/or Additional Software, for System enhancements not reflected in the System Requirements, and Professional Services, consisting of Consulting Services and Additional Training, for services not reflected in the Implementation Services. Following County's request for Optional Work and mutual agreement by the parties, Contractor shall submit to County for approval a proposed Scope of Work for such Optional Work and a not-to-exceed Maximum Fixed Price calculated based on the Fixed Hourly Rate, if applicable, and other pricing terms specified in Exhibit B (Schedule of Payments) and elsewhere in the Agreement. County and Contractor shall agree on the Change Order developed using the Scope of Work, which shall at a minimum include the tasks and deliverables to be performed, any applicable Acceptance Tests, warranty provisions and the Maximum Fixed Price for such Optional Work.

**DELIVERABLE 8.1 – OPTIONAL WORK**

Upon County's request for, and Contractor's agreement on the Scope of Work and the Maximum Fixed Price, Contractor shall provide Optional Work in accordance with Subtask 8.1 – Provide Optional Work and shall certify in writing that the Optional Work meets the requirements of the applicable Scope of Work, Change Order and the service and warranty standards of this Agreement and the applicable industry, including any required Acceptance Tests and System Requirements.

Any enhancements and/or modifications to System Requirements resulting from any Software Enhancements provided as part of any Optional Work shall be incorporated into, and become part of, the System Requirements. All Software Enhancements, once completed, shall become part of the System and shall not increase the Maintenance Fees allocated for the term of the Agreement.



**ATTACHMENT A.1**

**SYSTEM REQUIREMENTS  
FOR  
ENTERPRISE LINKAGES PROJECT**

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## **1. GENERAL**

### **1.1 OVERVIEW OF SYSTEM REQUIREMENTS**

This statement of System Requirements outlines the ALP overall business and technical requirements. Each of the functional and technical requirements listed shall support all of the ALP business processes.

The requirements below include the System's overall functional capabilities that the ALP shall support. At a minimum, these requirements will be used to track, test and monitor the overall System capabilities that shall consistently be met throughout the term of this Agreement.

Other systems and functional capabilities that are considered by County as enhancements or improvements to the System shall be addressed by Contractor at County's discretion during the maintenance and enhancement phases of this Agreement.

### **1.2 CONSTRUCTION OF TERMS**

In construing the terms of this Attachment A.1, the rules specified in this Section 1.2 below shall apply.

Singular nouns, and phrases incorporating them (e.g., referring to objects, persons, events, or otherwise), shall be construed to also include the plural except where reference to a single item is implied or necessary pursuant to the context of the word or phrase in question and except as otherwise expressly stated for particular defined terms set forth in Paragraph 1.3 (Definitions) of the Base Agreement. Plural nouns, and phrases incorporating them, shall be construed to also include the singular except where reference to multiple items is implied or necessary pursuant to the context of the word or phrase in question and except as otherwise expressly stated for particular defined terms set forth in Paragraph 1.3 (Definitions) of the Base Agreement.

Any use of the masculine gender shall be construed to include the feminine, and vice versa.

Examples provided by using words and phrases, such as "including", "include", "includes", or "e.g.", shall not be construed as limiting the term clarified thereby. For example, "including" shall be construed as "including, but not limited to."

References in this Attachment A.1 to federal, State, County and/or other governmental laws, rules, regulations, ordinances, guidelines, directives, policies and/or procedures shall mean such laws, rules, regulations, ordinances, guidelines, directives, policies and/or procedures as amended from time-to-time.

Unless expressly stated otherwise, all approvals, consents, or determinations by or on behalf of County under the Agreement, will be in writing, and may be given or withheld in the sole discretion or judgment of the person or entity authorized to provide or make such approval, consent, or determination.

The terms "Web page(s)", "page(s)", "screen(s)", and "window(s)" are used interchangeably and have the same meaning.

## **2. SYSTEM REQUIREMENTS**

This Section 2 specifies System Requirements that Contractor shall meet in providing its ALP technology solution and other Work during the term of the Agreement.

### **2.1 BUSINESS REQUIREMENTS**

All System Components, including the ALP Solution and the Analytics Solution shall be compatible with each other and work in an integrated manner, as further specified below.

1. The System will work seamlessly with County's ALP platform which contains a SAS EDI Server and Dataflux data quality solution to match separate data files using de-identified/anonymous linkage keys.
2. The System will provide a business intelligence platform, which shall:
  - a. Provide the ability to display information stored in the data warehouse through information portal, dashboards, and simple user based reporting interfaces, OLAP cubes, network visualization and interactive graphical displays
  - b. Provide the capability to create customized reports with powerful layout capabilities and to choose from a gallery of common, pre-defined layouts and templates for simple reporting.
  - c. Provide a web-based information portal with a browser-based interface to distribute and share information, data, applications and reports. The information portal shall be customizable using wizards and shall feature powerful search capabilities.
  - d. Provide customizable and interactive graphical or tabular dashboards.
  - e. Be able to integrate results with Microsoft Office products.
  - f. Provide a powerful, multidimensional database designed to handle tens of millions of rows of business intelligence data.
  - g. Provide a GUI for easily building and maintaining and analyzing OLAP cubes.
3. The System will provide a social network analysis tool/server that will provide an intuitive network visualization interface showing a complete picture of clients, service providers, County service facilities, homeless shelters and so forth. The social network analysis tool/server will be able to:
  - a. Build new networks from a single client, provider or employer queried.
  - b. Drill down further into underlying data for full client, provider, and facility details, including other linked clients, service providers and networks.
  - c. Zoom in and out and pan right and left to visualize the full extent of networks interactively.
  - d. Interactively show the evolution of networks over time to study how a specific network has been built and expanded over many months.
  - e. Be managed through a common metadata environment.
4. The System will provide a comprehensive set of tools to perform complex statistical analysis for all analytical needs, which shall:
  - a. Include basic descriptive statistics methods, analysis of variance, regression methods, categorical data analysis, multivariate analysis, survival analysis, cluster analysis.
  - b. Provide powerful interactive statistical graphics for visual querying and data filtering and interactive data visualization through customizable charts and reports.

5. The System will develop a web-based end user interface to surface the results of the client inquiries, which shall:
  - a. Be accessed via a web browser requiring no additional software components installed on the end-user's computer.
  - b. Be linked to the data warehouse and return all service utilization information of any queried client in real-time.
  - c. Accept multiple identification fields to match an individual against the population stored in the warehouse
  - d. Provide a meaningful representation of the basic service information stored in the warehouse using multiple tabs.
  - e. Be easily customizable to surface additional information available

## **2.2 TECHNICAL REQUIREMENTS**

### **2.2.1 General Technical Requirements**

1. The System shall include components that are reusable and modifiable without reengineering.
2. The System shall utilize components that are leap year compliant.
3. The System shall utilize components that are current decade compliant.
4. The System shall utilize components that are twenty-first (21st) century compliant, with the consistent use of four-digit years.
5. The System shall utilize components that provide all dates and times in accordance with ISO 8601 for dates from January 1, 1900 to December 31, 2099.
6. The System shall utilize components that are in compliance with Daylight Savings Time clock changes mandated by applicable federal, State, and local laws, rules, regulations, ordinances, guidelines, directives, policies, and procedures, including the Energy Policy Act of 2005.
7. Contractor shall provide to County's Project Director written notification, including implementation recommendations, of the following:
  - a. Upgrades to the System Hardware as soon as each such upgrade is available.
  - b. Updates to the Commercial Off-The Shelf software as soon as each such update is available.
8. The System shall utilize the latest or penultimate version of Commercial Off-The Shelf software, as approved by County's Project Director.
9. The solution System Hardware shall support the latest or penultimate version of Commercial Off-The Shelf software, as approved by County's Project Director.

### **2.2.2 System Administration**

1. The Hosting Environment shall have 24x7 IT Support, SAS 70 Type II and Systrust-certified hosting facility.
2. The System will provide a point of control for all system administrative tasks through a system management console.
3. The System shall provide single easy-to-use interface to perform the administrative tasks required to create and maintain an integrated environment.

4. The System's tools shall provide a single point of control for managing all processes including data quality, data integration, storage, end-user interface and analytics.
5. The System shall have a central administrative capability to manage servers, databases, users and groups and their associated permissions.
6. The System's tools shall manage the creation, replication and promotion of metadata repositories and manage all metadata as well as concurrent access to metadata.
7. The System shall allow the administrator to specify the maximum number of connections to the database(s).
8. The System shall allow administrators to monitor status of all servers in a cluster.

### **2.2.3 Security**

1. The System shall establish security standards that are consistent with County security requirements (e.g., as documented in the Los Angeles County Board of Supervisors Policy Manual, e.g., Policy Number 6.100 et seq.).
2. The System shall support security measures at the database, group and user levels and shall support multiple user roles. Security measures include access to functionality, access to data, program components and access to application processes.
3. The System shall provide an audit history lets designers see which jobs or tables were changed, when and by whom.
4. The System shall maintain an audit trail of all transactions.
5. The System shall support secure remote administration.
6. The System shall provide role-based permissions showing users only what they are authorized to see.
7. The System shall have the capability to manage an access control template a set of security measures that can be defined and then be assigned to a user or group, which establishes the default access controls for a metadata repository.
8. The System shall have the capability to specify access controls for a metadata object, which define the permissions that users or groups are granted or denied for the object. Metadata objects include tables, application capability, users, groups, access controls define whether a user or group is allowed to perform actions on metadata object like create, read, update, delete.
9. The System shall have the capability to create access control templates, which are named identity/permission patterns that can be applied to multiple metadata objects.
10. The System shall have the capability to manage permissions, which represent actions that users can perform on metadata objects or the computing resources represented by the objects.
11. The System security model must integrate with LDAP/Active Directory.
12. The System shall, upon authentication, restrict users to only the information for which they are authorized.
13. The System shall require users to log on to the system before receiving access to functionality or data.

14. The System shall allow users to change their password at the sign-on screen or from a security screen within the system.
15. The System shall disable the user's account and notify a system administrator upon three consecutive entries of an incorrect password.
16. The System shall notify users of impending password expiration and prompt the user to change the password at sign-on if a user's password has expired.
17. The System shall provide a means to log off a user if no activity has occurred after a specified period of time (e.g., five minutes).
18. The System shall suspend a user ID if the user ID has not logged into the system for a specified number of days.
19. The System shall not display the user's password in a readable format on the logon screen.
20. The System shall not store a user's password in a readable format on a local computing device.
21. The System shall force the user to immediately change his password when a default "starter" password is issued to the user by the system or by a security administrator.
22. The System shall allow for the enforcement of password complexity rules by ensuring that the user's password is made up of characters, alphanumeric and special characters.
23. The System shall retain a history of at least twenty-four (24) past user passwords and shall not allow the same password to be re-used by a user.
24. The System shall incorporate encryption into the application utilizing Secure Sockets Layers (SSL).
25. The System shall track change history to determine who made changes and when the changes took place.
26. The System shall support up to twenty (20) different user roles.
27. The System shall provide notification to system administrators when a security event is detected.
28. The System shall provide a graphic user interface (GUI) for system administrators to update security parameters while the system is online.
29. The System shall provide capabilities for managing sensitive data (e.g., social security numbers (SSNs) or client identification number (CIN)).
30. The System's Web product shall protect user ID and password information from transmission in clear-text.
31. The System shall encrypt passwords sent over an external network.
32. The System shall employ traditional Web Safeguards including:
  - a. Warning banners should be displayed prior to login;
  - b. Self-service account maintenance should employ strong password standards;
  - c. Page caching should be disabled to protect those using Internet cafes;
  - d. Site should not allow browser to pass information exchanges;
  - e. Default 5 minute inactivity timeout.

33. The System shall categorize data that is transported, processed, or stored according to Federal Information Processing Standards (FIPS) 199 levels (Low, Moderate, or High) and shall comply with security controls for the data as specified in National Institute of Standards and Technology (NIST) Special Publication 800-53.
34. The System shall comply with the Health Insurance Portability and Accountability Act (HIPAA) of 1996 to the extent and in the manner determined to be applicable and, at minimum, shall address the following:
  - a. Standards for Electronic Transactions;
  - b. Standards for Privacy of Individually Identifiable Health Information;
  - c. Standards for Security.
35. The System shall allow implementation of a Data Security Plan which satisfies State and Federal requirements including the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and State Administrative Manual (SAM), Section 4840 et seq., Information Technology Risk Management Policy.
36. The System shall support compliance with Federal and State laws for data confidentiality, privacy, and disclosure including the HIPAA regulations stated in Section 5.2, W&IC §10850 Confidentiality of Individual Data, California Civil Code §1798.24 et seq., Confidentiality and Disclosure of Personal Information.

#### **2.2.4 Audit**

1. The System shall provide auditing features to track transactions of end-users for five and a half year via encrypted SAS data files and stored on encrypted data tapes, and the access to the audit trail file will be restricted.
2. The transaction audit log will include, at minimum, the following data elements for queries and reports:
  - a. User name;
  - b. User ID;
  - c. Agency;
  - d. Data and Time of Query;
  - e. Type of Query; and
  - f. Information Received.
3. The System shall restrict access to user and system audit logs to authorized system administrators.
4. The System shall provide a mechanism by which a system administrator can export selected transaction logs to an external file.
5. The solution shall generate random lists of transactions for agency audits.
6. The solution shall log all add/change, and delete activity to any configuration database.
7. The solution transaction log should be searchable by authorized administrative users by user name, user ID, agency, date, time and by a text string occurring anywhere within the original message.

### **2.2.5 Business Continuity**

1. System Availability – The System shall be available ninety-nine percent (99%) of the time throughout the term of the Agreement. System Availability is defined as the percentage of time during the calendar month when the System and all of its Components are working in accordance with the Specifications, including System Requirements. System unavailability starts from the time that the System is not available and the problem is categorized as a Severity Level 1 or a Severity Level 2 Deficiency.
2. System Response Time – Unless modified pursuant to Deliverable 5.4 (Final Acceptance) of Exhibit A (Statement of Work), the System Response Time during the term of the Agreement (i) shall be the average of five (5) seconds for 85% of transactions and (ii) shall not exceed 30 seconds for 15% of transactions.
3. Contractor shall have available for utilization by County upon County's request and shall utilize tools capable of assessing and measuring the System's compliance with System Performance Requirements specified in the Agreement, including System Requirements.
4. The System shall be architected to support a System operation with System Availability of 7:00 am – 7:00 pm per day.
5. The System shall backup the application and data daily and as otherwise agreed to by the parties.
6. The System shall retain data for at least eighteen (18) months.
7. The System shall support automatic user re-routing should the active server fail.
8. The System shall include a scalable platform for analyzing multi-terabyte data sets.
9. The System shall provide automatic and manual control of caching to balance quick response with scalability.
10. The System shall include system restart, recovery, and full back-up procedures with encrypted off-site storage of back-ups.

### **2.2.6 System Infrastructure**

1. The System shall include production, development and test environments.
2. The Hosting Environment shall accommodate up to 10 remote desktop users who will have access to the SAS solution environments.
3. The System's Production Environment shall initially support 100 users (50 concurrent) users that will retrieve analytical information on participants.
4. The Hosting Environment will provide up to two (2) TB of data storage.
5. The System will provide a web enabled browser based access (Web Services) from County workstations, laptops and other devices.
6. The System shall support/operate within Windows or Linux operating system.
7. The System shall include a scalable platform anticipating for expansion as other County agencies may desire different interfaces and level of access.
8. The System shall support parallel processing.
9. The System will provide site to site VPN.
10. The Hosting Environment will provide FTP services.

11. The System shall support one or more of the following browsers (including the versions supported):
  - a. Internet Explorer;
  - b. Netscape;
  - c. Mozilla;
  - d. Firefox; and
  - e. Other – to be identified.
12. The System shall not require Java applets, ActiveX controls like the XML HTTP object, or any other plug-ins with the exception of Adobe Flash version 10.
13. Except for http session management, the System shall not require the use of cookies on the client browser.
14. The System shall not require any specific browser settings.
15. The System shall support web service standards. (e.g., SOAP, WSDL, UDDI).
16. The System shall include configurable caching that can be turned on or off.

#### **2.2.7 Knowledge Transfer and Documentation**

1. The System shall include a Knowledge Transfer Plan for system users.
2. The System shall include orientation training to provide a general overview of ALP, including the graphical user interface (GUI) navigation methodology and technology.
3. Contractor shall provide or make available documentation of Knowledge Transfer and knowledgebase to be used by County for training, policy, program and business process clarification.
4. The System shall include complete documentation describing how to use the system.
5. The System shall include concise documentation of the system architecture, configuration and development tools.

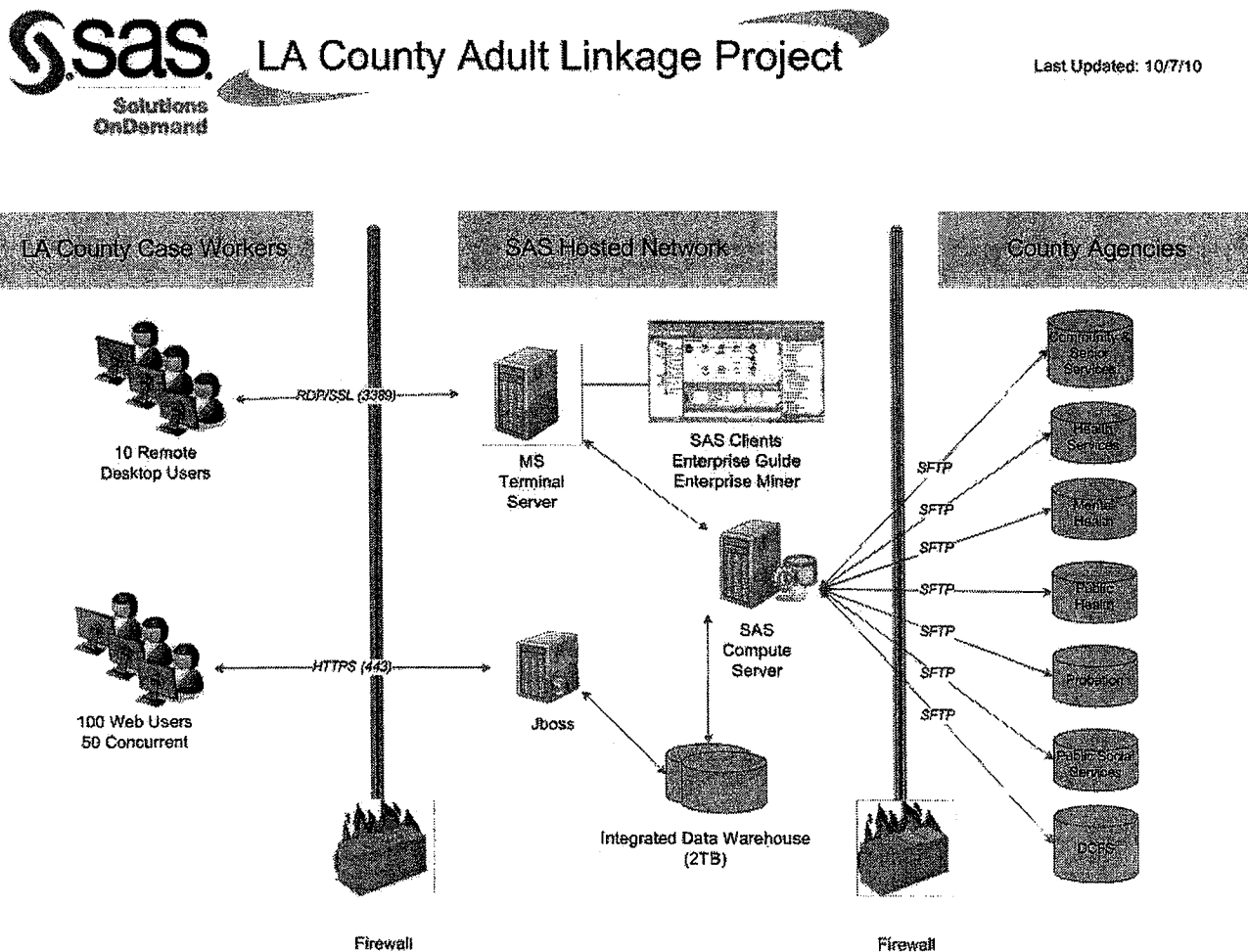


## ATTACHMENT A.2 SYSTEM CONFIGURATION

This Attachment A.2 lists the Components of the Hosting Environment to be provided by Contractor for the ELP, including System Hardware and System Software, as well as the License specifications for the Application Software licensed by County under the Agreement. This Attachment A.2 will be updated and superseded, if necessary, upon Contractor's completion and County's approval of Deliverable 2.2 (Hosting Environment Certification) of Exhibit A (Statement of Work).

### 1. SYSTEM HARDWARE

Figure 1 below shows the details of the System Hardware that will be utilized by Contractor for the ELP:



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Figure 1: Server Specifications

2. SYSTEM SOFTWARE

Unless otherwise agreed to by the parties, the Application Software licensed under this Agreement shall be subject to the specifications and user limitations as provided below:

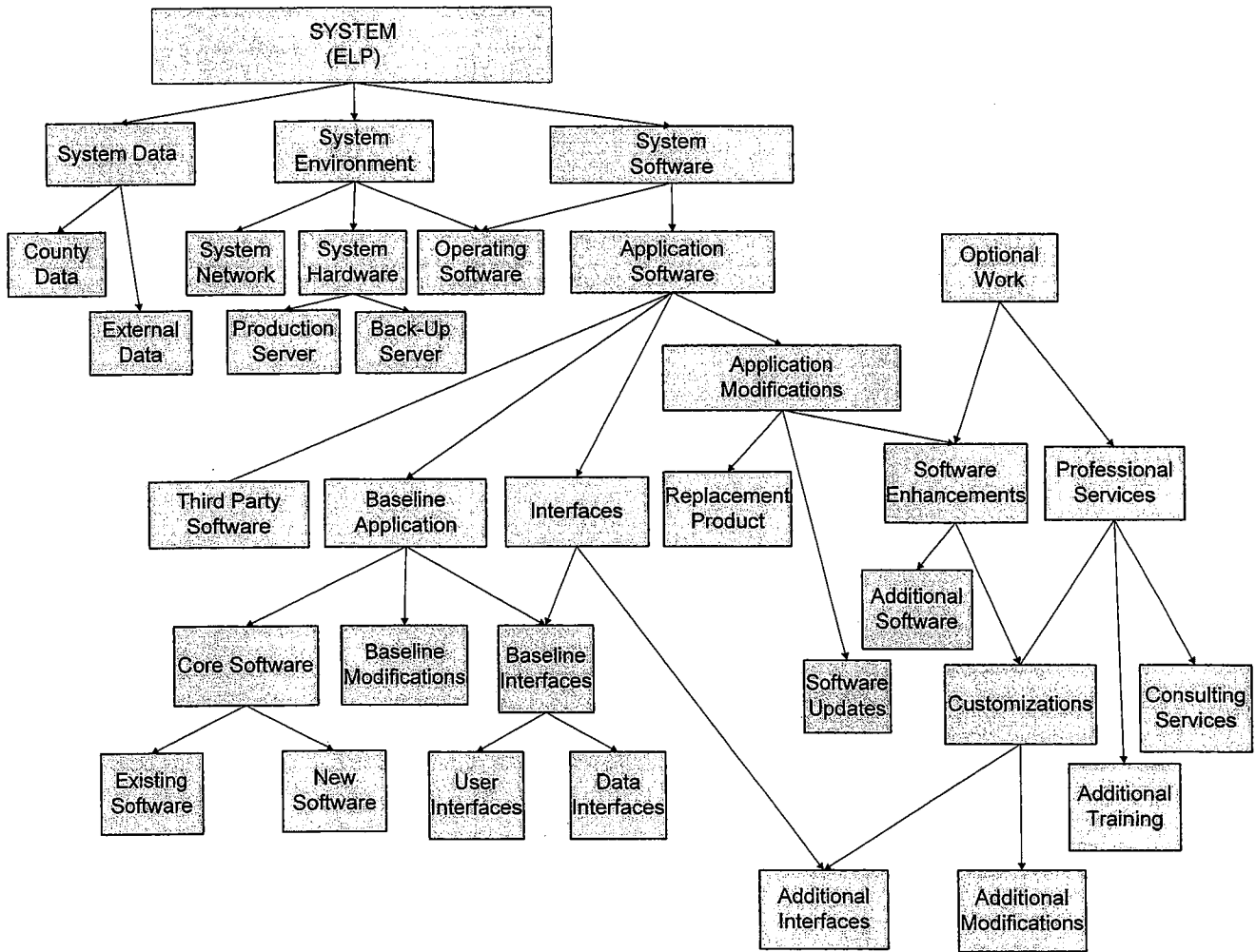
APPLICATION SOFTWARE	LICENSE SPECIFICATIONS
SAS/STAT	Capacity Based, limited to a Group 2 Server
SAS/Enterprise Data Integration Server	Capacity Based, limited to a Group 2 Server
SAS/Enterprise BI Server	Capacity Based, limited to a Group 2 Server
SAS Social Network Analysis	Capacity Based, limited to a Group 2 Server
Dataflux dfPower Platform for SAS	PC Use, limited to 9 users
Dataflux dfPower Quality	PC Use, limited to 9 users
Dataflux dfPower Profile	PC Use, limited to 1 user
Dataflux dfPower Customize	PC Use, limited to 1 user
Dataflux dfPower Verify	PC Use, limited to 1 user
Dataflux DataPack- US Address Verification	Verify Data Use Terms, DataPack Site License

The License specifications and user limitations listed above are further defined with the following:

- (a) **Capacity Based** – The Application Software License Fee is based on the total processing power of the System Hardware provided by Contractor pursuant to the Agreement on which the Application Software is installed. With respect to server hardware, processing power includes each processor on each chip.
- (b) **PC Use** - The Software license fee is based on the greater of either (i) the total number of Users (not concurrent) currently authorized (not cumulatively during the term of the Agreement) to access the Application Software or (ii) the total number of personal computers on which the Software will be installed and available for processing on the designated operating system.
- (c) **DataPack Site License** - A License Fee applies to each separate DataFlux DataPack (“DataPack”) licensed. County may install the licensed DataPack for which County has licensed the DataFlux Enterprise Integration Server Verify, DataFlux Integration Server Verify and/or DataFlux dfPower Verify software.

Notwithstanding the License limitations listed above, Contractor shall not be entitled to charge County for exceeding such limitations unless County agrees to pay additional applicable fees for Optional Work using Pool Dollars in writing by executing a Change Notice or an Amendment, as applicable, pursuant to Paragraph 4 (Changes to Agreement) of the Base Agreement. All such additional fees shall be subject to the pricing terms and discounts as provided in Paragraph 5.4 (Optional Work) of the Base Agreement.

SYSTEM DEFINITION



**ATTACHMENT A.3**  
**ACCEPTANCE CERTIFICATE**

<b>CONTRACTOR NAME AND ADDRESS</b>	<b>TRANSMITTAL DATE</b>
<b>ACCEPTANCE CERTIFICATE</b>	<b>CONTRACT NUMBER</b>
	<b>TITLE</b>
<b>FROM:</b> <hr style="width: 80%; margin: 5px auto;"/> <p style="text-align: center;"><b>CONTRACTOR'S PROJECT DIRECTOR</b> (Signature Required)</p>	<b>To:</b> <hr style="width: 80%; margin: 5px auto;"/> <p style="text-align: center;"><b>Manuel Moreno, PhD</b> <b>COUNTY'S PROJECT DIRECTOR</b></p>
<p>Contractor hereby certifies to County that as of the date of this Acceptance Certificate, it has satisfied all conditions precedent in the Agreement, including the Exhibits thereto to the completion of the Tasks and delivery of the Deliverable/Key Deliverable set forth below, including satisfaction of the completion criteria applicable to such Tasks and Deliverable/Key Deliverable and County's approval of the work performed in connection with the achievement of such Task. Contractor further represents and warrants that the work performed in respect of such Tasks and Deliverable/Key Deliverable has been completed in accordance with Exhibit A (Statement of Work (SOW)). County's approval and signature constitutes Acceptance of the Tasks and Deliverables listed below.</p>	
<b>TASK DESCRIPTION</b> (including Task and Subtask numbers as set forth in the Statement of Work)	<b>DELIVERABLE/KEY DELIVERABLE</b> (including Deliverable/Key Deliverable numbers as set forth in the Statement of Work)
<b>COMMENTS:</b>	
Attached hereto is a copy of all supporting documentation required pursuant to the Agreement and Exhibit A (Statement of Work), including any additional documentation reasonably requested by County.	
<b>COUNTY ACCEPTANCE:</b>	
NAME <u>Manuel Moreno, PhD</u> SIGNATURE _____ DATE _____ County' Project Director	
NAME <u>Halil Toros</u> SIGNATURE _____ DATE _____ County's Project Manager	



**ATTACHMENT A.4**

**PARTICIPATING ENTITIES  
FOR  
ENTERPRISE LINKAGES PROJECT**

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**1. OVERVIEW**

This Attachment A.4 outlines the participating Entities, including User Entities, which may consist of User Departments and User Agencies, and Data Entities, which may consist of Data Departments and Data Agencies, that will utilize or access the System under the Agreement, as applicable.

**2. USER ENTITIES**

The User Entities listed in this Section 2 below include User Departments and User Agencies authorized by County and agreed to by the parties to utilize the System in accordance with the terms of this Agreement. User Entities shall be responsible for managing the data sets from the Data Departments and Data Agencies to the Data Warehouse and/or shall have the right to utilize the System in association with the programs identified by County.

The following User Entities have been agreed to by the parties to utilize the System:

- i. County of Los Angeles  
Chief Executive Office  
Service Integration Branch  
Research and Evaluation Services  
222 South Hill Street, 5<sup>th</sup> Floor  
Los Angeles, CA 90012  
Attention: Manuel H. Moreno, Ph.D.
- ii. County of Los Angeles  
Department of Public Social Services  
12860 Crossroads, Parkway South  
City of Industry, CA 91746  
Attention: Philip L. Browning

**3. DATA ENTITIES**

The User Entities listed in this Section 3 below include Data Departments and Data Agencies authorized by County to utilize the System in accordance with the terms of this Agreement. Data Entities will provide administrative data on services utilized by the applicable User Entity population. This information is matched against the population of the User Entity.

The following Data Entities have been authorized by County to access the System in accordance with the terms of the Agreement:

- i. Community and Senior Services (CSS)
- ii. Department of Children and Family Services (DCFS)
- iii. Department of Health Services (DHS)
- iv. Department of Mental Health (DMH)
- v. Department of Public Health (DPH)
- vi. Probation Department (PD)
- vii. Sheriff's Department (SD)
- viii. Comprehensive Care Health (CCH)

**EXHIBIT B**

**SCHEDULE OF PAYMENTS  
FOR  
ENTERPRISE LINKAGES PROJECT**

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**NOVEMBER 30, 2010**

This Exhibit B set forth the pricing and payment terms for the Work to be provided by Contractor under the Agreement, including completed and accepted deliverables, System Maintenance and Optional Work, if any, as provided below.

The following Schedules are attached to and incorporated into this Exhibit B:

Schedule B.1 – Software Schedule

Schedule B.2 – Optional Work

**1. DELIVERABLES**

For each County Facility, Contractor shall be paid for each Deliverable, following County's approval of such Deliverable, the Extended Amount calculated as specified below.

$$\text{EXTENDED AMOUNT} = \text{DELIVERABLE AMOUNT} - 10\% \text{ DELIVERABLE HOLDBACK}$$

The cumulative amount of all Holdbacks shall be due to Contractor upon Final Acceptance, as further provided in Paragraph 9.6 (Holdbacks) of the Base Agreement and in this Section 1 below.

DEL NO.	DELIVERABLE DESCRIPTION	LICENSE FEE	HOSTING FEE	IMPLEMENT FEE	DELIVERABLE AMOUNT	HOLDBACK AMOUNT (10%)	EXTENDED AMOUNT
1.1	Develop Project Control Document		\$6,800	\$7,400	\$14,200	\$1,420	\$12,780
1.2	Status Reports and Conferences				\$0		\$0
2.1 <sup>1</sup>	Migration Plan	\$495,086			\$495,086	\$0	\$495,086
2.1	Migration Plan		\$6,800	\$7,400	\$14,200	\$1,420	\$12,780
2.2	Hosting Environment Certification		\$40,800	\$0	\$40,800	\$4,080	\$36,720
2.3	Data Interfaces Validated				\$0		\$0
2.4 <sup>2</sup>	Validation of Migration of Existing Environment		\$13,600	\$14,800	\$28,400	\$2,840	\$25,560
2.5	Analytics Solution Certification				\$0		\$0
3.1	Client Environment Specifications				\$0		\$0
3.2	Client Software Installed				\$0		\$0
4.1	Design Specifications Document			\$14,800	\$14,800	\$1,480	\$13,320
4.2	User Interfaces Validated			\$7,400	\$7,400	\$740	\$6,660
4.3	Certification for Implemented ALP Solution			\$7,400	\$7,400	\$740	\$6,660
5.1	System Test Certification				\$0		\$0
5.2	User Acceptance Test Certification			\$7,400	\$7,400	\$740	\$6,660
5.3	System Production Use				\$0		\$0
5.4 <sup>3</sup>	Final Acceptance			\$7,400	\$7,400	\$740	\$6,660
6.1	Training Documentation						\$0
6.2	System Documentation						\$0
7.1	System Maintenance Plan						\$0
7.2	System Maintenance						\$0
7.3	ELP Transition						\$0
8.1	Optional Work						\$0
<b>TOTAL DELIVERABLE AMOUNTS</b>		<b>\$495,086</b>	<b>\$68,000</b>	<b>\$74,000</b>	<b>\$637,086</b>	<b>-\$14,200</b>	<b>\$622,886</b>



1. County will pay 100% of the License Fees for the Core Software upon Contractor's completion and County's Acceptance of Deliverable 2.1 (Migration Plan), as further specified in Schedule B.1 (Software Schedule).
2. County will release 100% of the Holdbacks for System Hosting services upon Contractor's completion and County's Acceptance of Deliverable 2.4 (Validation of Migration of Existing Environment).
3. County will release 100% of the Holdbacks for the remaining components of the Implementation Cost upon Contractor's completion and County's Acceptance of Deliverable 5.4 (Final Acceptance).

**2. SYSTEM MAINTENANCE**

Contractor shall, during the term of this Agreement, provide to County System Maintenance services, including Maintenance Services and Support Services, in exchange for County's payment of the applicable Maintenance Fees, comprised of License Renewal Fees and System Support Fees, as provided in Paragraphs 8.4 (System Maintenance) and 8.5 (Optional Work) of the Base Agreement, this Section 2 below, and Schedules B.1 (Software Schedule) and B.2 (Optional Work). For System Maintenance, County will pay Contractor the following Maintenance Fees: (i) License Renewal Fees to be paid annually in advance commencing on the first anniversary of the Effective Date and (ii) System Support Fees to be paid monthly in arrears commencing one month following expiration of the Warranty Period. The Maintenance Fees shall not exceed the amounts specified in Exhibit B (Schedule of Payments), including Schedules B.1 (Software Schedule) and B.2 (Optional Work).

Annual Fees for System Maintenance for years 2 through 5 of the Agreement shall be paid in the amounts specified below.

	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
<b>LICENSE RENEWAL FEES</b>	\$ 262,081.00	\$ 262,081.00	\$ 262,081.00	\$ 262,081.00
<b>SYSTEM SUPPORT FEES</b>	\$ 57,524.00	\$ 57,524.00	\$ 57,524.00	\$ 57,524.00
<b>TOTAL ANNUAL FEES</b>	<b>\$ 319,605.00</b>	<b>\$ 319,605.00</b>	<b>\$ 319,605.00</b>	<b>\$ 319,605.00</b>
			<b>TOTAL – 5 YEARS</b>	<b>\$ 1,278,420.00</b>

**3. OPTIONAL WORK**

Any agreed upon Optional Work shall be provided in accordance with Paragraph 5.4 (Optional Work) of the Base Agreement and Task 8 (Optional Work) of Exhibit A (Statement of Work) following agreement on a Maximum Fixed Price and the Scope of Work. County and Contractor have agreed upon the pricing terms for Optional Work that may be provided following Go-Live as specified in Schedule B.2 (Optional Work), including Maintenance Fees for any Optional Term. Contractor's rates for Optional Work shall be subject to the applicable pricing terms set forth in Paragraph 5.4 (Optional Work) of the Base Agreement, this Section 3 and Exhibit B (Schedule of Payments) during the term of this Agreement. Contractor's Fixed Hourly Rate for Professional Services, including Customizations, as of the Effective Date, specified in Exhibit B (Schedule of Payments), shall not increase during the term of the Agreement.

Unless specified otherwise, Optional Work shall be provided in accordance with the agreed upon Scope of Work, including Maximum Fixed Price calculated based on the Fixed Hourly Rate, if applicable, and at the applicable pricing terms set forth in Exhibit B (Schedule of Payments), including all Schedules thereto. Upon completion by Contractor, and approval by County in accordance with the terms of this Agreement, of such Optional Work, Schedule B.2 (Optional Work) shall be updated accordingly to add such completed Optional Work via a Change Notice

or by an Amendment, in each case, in accordance with Paragraph 5.4 (Optional Work) of the Base Agreement. Unless specified otherwise in the applicable Scope of Work, such Optional Work shall not cause an increase in the Maintenance Fees for System Maintenance under this Agreement.

**4. CONTRACT SUM**

Contract Sum shall be County's maximum obligation under the Agreement and shall include all costs relating to the System including the License, Implementation Services, System Maintenance, including Maintenance Services, Support Services and System hosting, and Optional Work, if any. The Contract Sum for the term of the Agreement, including any and all sales tax amounts, is \$ 2,150,000 and consists of the components specified below, as further specified in Paragraph 8 (Contract Sum) of the Base Agreement.

<b>CONTRACT SUM COMPONENTS</b>	<b>COST</b>
Implementation Cost – License Fees	\$ 495,086
Implementation Cost – System Implementation	\$ 142,000
Maintenance Fees	\$ 1,278,420
Pool Dollars	\$ 234,494
<b>TOTAL</b>	<b>\$ 2,150,000</b>

**SCHEDULE B.1**  
**SOFTWARE SCHEDULE**

**TABLE 1 – CORE SOFTWARE SPECIFICATIONS**

CORE SOFTWARE	LICENSE SPECIFICATIONS	EXISTING SOFTWARE AMOUNT
SAS/STAT	Capacity Based, 1 Group 2 Server	\$ 6,325.00
SAS/Enterprise Data Integration Server	Capacity Based, 1 Group 2 Server	\$ 105,350.00
SAS/Enterprise BI Server	Capacity Based, 1 Group 2 Server	
SAS Social Network Analysis	Capacity Based, 1 Group 2 Server	
Dataflux dfPower Platform for SAS	PC Use, 9 users	
Dataflux dfPower Quality	PC Use, 9 users	\$ 25,056
Dataflux dfPower Profile	PC Use, 1 user	
Dataflux dfPower Customize	PC Use, 1 user	
Dataflux dfPower Verify	PC Use, 1 user	
Dataflux DataPack - US Address Verification	Verify Data Use Terms, 1 DataPack Site License	
<b>TOTAL – EXISTING SOFTWARE LICENSE FEES</b>		<b>\$ 136,731.00</b>

**TABLE 2 – LICENSE FEES & LICENSE RENEWAL FEES**

CORE SOFTWARE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Enterprise Data Integration - Upgrade	\$ 24,969.00	\$ 77,465.00	\$ 77,465.00	\$ 77,465.00	\$ 77,465.00
Enterprise BI Server - for ALP	\$ 133,280.00	\$ 57,597.00	\$ 57,597.00	\$ 57,597.00	\$ 57,597.00
Social Network Analysis Server - for ALP	\$ 184,380.00	\$ 82,759.00	\$ 82,759.00	\$ 82,759.00	\$ 82,759.00
SL64 SAS/STAT or STAT	\$ 12,651.00	\$ 6,792.00	\$ 6,792.00	\$ 6,792.00	\$ 6,792.00
SL64 SAS Enterprise Data Server - Current	\$ 105,350.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Platform	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Quality	\$ 25,056.00	\$ 31,414.00	\$ 31,414.00	\$ 31,414.00	\$ 31,414.00
DataFlux Power Profile	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Customize	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Verify	\$ 5,400.00	\$ 1,745.00	\$ 1,745.00	\$ 1,745.00	\$ 1,745.00
DataFlux Datapack - US Address Verification	\$ 4,000.00	\$ 4,309.00	\$ 4,309.00	\$ 4,309.00	\$ 4,309.00
<b>TOTAL LICENSE FEES &amp; LICENSE RENEWAL FEES</b>	<b>\$ 495,086.00</b>	<b>\$ 262,081.00</b>	<b>\$ 262,081.00</b>	<b>\$ 262,081.00</b>	<b>\$ 262,081.00</b>

- License Fees for the Existing Software portion of the Core Software (\$ 136,731), as identified in Table 1 (Core Software Specifications), shall be paid by County to Contractor upon Contractor's completion and County's Acceptance of Deliverable 2.1 (Migration Plan) of Exhibit A (Statement of Work), but no later than February 28, 2011.
- License Fees for the rest of the Core Software (\$ 358,355), including all New Software, shall be paid by County to Contractor upon Contractor's completion and County's Acceptance of Deliverable 2.1 (Migration Plan) of Exhibit A (Statement of Work), which shall occur no later than June 30, 2011. In the event of failure of such Deliverable 2.1 (Migration Plan) of Exhibit A (Statement of Work) to be completed by Contractor and Accepted by County by June 30, 2011, such failure shall constitute a material and substantive default of Contractor, entitling County to all rights and remedies under the Agreement, including Paragraph 22 (Termination for Default) of the Base Agreement.



**SCHEDULE B.2**  
**OPTIONAL WORK**

**1. MAINTENANCE FEES**

In the event that County and Contract extend the term of the Agreement beyond the maximum Extended Term, as provided in Paragraph 7.2 (Extended Term) of the Base Agreement, for any Optional Term, the Maintenance Fees, including the License Renewal Fees and System Support Fees, shall not exceed the amounts specified in this Section 1 below for such Optional Term.

**1.1 LICENSE RENEWAL FEES**

<b>CORE SOFTWARE LICENSE RENEWAL FEES</b>	<b>OPTIONAL TERM YEAR 6</b>	<b>OPTIONAL TERM YEAR 7</b>	<b>OPTIONAL TERM YEAR 8</b>
Enterprise Data Integration - Upgrade	\$ 79,789.00	\$ 82,183.00	\$ 84,648.00
Enterprise BI Server - for ALP	\$ 59,325.00	\$ 61,105.00	\$ 62,938.00
Social Network Analysis Server - for ALP	\$ 85,242.00	\$ 87,799.00	\$ 90,433.00
SL64 SAS/STAT or STAT	\$ 6,995.00	\$ 7,205.00	\$ 7,421.00
SL64 SAS Enterprise Data Server - Current	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Platform	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Quality	\$ 32,356.00	\$ 33,327.00	\$ 34,327.00
DataFlux Power Profile	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Customize	\$ 0.00	\$ 0.00	\$ 0.00
DataFlux Power Verify	\$ 1,798.00	\$ 1,851.00	\$ 1,907.00
DataFlux Datapack - US Address Verification	\$ 4,438.00	\$ 4,572.00	\$ 4,709.00
<b>TOTAL LICENSE RENEWAL FEES</b>	<b>\$ 269,943.00</b>	<b>\$ 278,042.00</b>	<b>\$ 286,383.00</b>

**1.2 SYSTEM SUPPORT FEES**

	<b>OPTIONAL TERM YEAR 6</b>	<b>OPTIONAL TERM YEAR 7</b>	<b>OPTIONAL TERM YEAR 8</b>
<b>SYSTEM SUPPORT FEES</b>	\$ 59,250.00	\$ 61,027.00	\$ 62,858.00

**2. OPTIONAL WORK**

Upon Contractor's completion and County's approval of any Optional Work requested by County, County will fill in the information into the table with a format substantially similar to the one provided below, which shall automatically update this Schedule B.2.

<b>ITEM NO.</b>	<b>DESCRIPTION/TYPE (EFFECTIVE DATE, CHANGE NOTICE, AMENDMENT)</b>	<b>REQUEST DATE</b>	<b>DELIVERY DATE</b>	<b>COUNTY APPROVAL DATE</b>	<b>MAXIMUM FIXED PRICE</b>
1.	Effective Date				\$ 234,494
				SUBTOTAL	\$ 234,494

**3. POOL DOLLARS**

Upon Contractor's completion and County's approval of any Optional Work requested by County, the amount of Pool Dollars remaining for the rest of the Agreement term shall be updated, as provided below.

<b>EVENT (Effective Date, Change Notice, Amendment)</b>	<b>EVENT DATE</b>	<b>ADJUSTED AMOUNT ("+", "-")</b>	<b>REMAINING AMOUNT</b>

## **EXHIBIT C**

### **PROJECT WORK PLAN**

#### **1 INTRODUCTION**

This Exhibit C shall set final Due Dates for the provision of System Implementation Deliverables by Contractor under the Statement of Work following, and as a result of, Contractor's successful completion of Deliverable 1.1 (Project Control Document) of Exhibit A (Statement of Work). Contractor warrants and agrees to provide County the required Deliverables for System Implementation pursuant to the Project Work Plan set forth in this Exhibit C.

#### **2 PROJECT SCHEDULE**

The Project Work Plan provides the following:

- A. "Del. No." refers to the Deliverable Numbers as specified in the Statement of Work.
- B. "Deliverable Summary" sets forth the description of the Deliverables as specified in the Statement of Work.
- C. "Due Date" sets forth the Deliverables due dates.

### 3 SYSTEM IMPLEMENTATION

DEL NO.	DELIVERABLE SUMMARY	DUE DATE
1.1	Project Control Document	
1.2	Status Reports and Conferences	
2.1	Migration Plan	
2.2	Hosting Environment Certification	
2.3	Data Interfaces Validated	
2.4	Validation of Migration of Existing Environment	
2.5	Analytics Solution Certification	
3.1	Client Environment Specifications	
3.2	Client Software Installed	
4.1	Design Specifications Document	
4.2	User Interfaces Validated	
4.3	Certification for Implemented ALP Solution	
5.1	System Test Certification	
5.2	User Acceptance Test Certification	
5.3	System Production Use	
5.4	Final Acceptance	
6.1	Training Documentation	
6.2	System Documentation	
7.1	System Maintenance Plan	

1. This Exhibit C shall be automatically updated upon Contractor's completion and County's approval of Deliverable 1.1 (Project Control Document) of Exhibit A (Statement of Work), as further provided in such Deliverable 1.1.
2. Failure by Contractor to complete and have approved by County Deliverable 2.1 (Migration Plan) of Exhibit A (Statement of Work) by June 30, 2011 shall constitute a material and substantive default of Contractor.



**EXHIBIT D**

**SYSTEM MAINTENANCE**

**GENERAL**

This Exhibit D sets forth the scope of, and Contractor’s service level commitment regarding, the maintenance and operational support of the System, including, but not limited to, System Maintenance consisting of Maintenance Services and Support Services, correction of Deficiencies, Warranties and County's remedies for Contractor's failure to meet the service level commitment specified herein. Capitalized terms used in this Exhibit D without definition shall have the meanings given to such terms in the Base Agreement.

The following Schedules are attached to and form a part of this Exhibit D:

Schedule D.1 – County Remote Access Policies

Schedule D.2 – LA County Extranet IT Security Standards (Draft)

Schedule D.3 – County of Los Angeles Agreement for Acceptable Use and Confidentiality of County’s Information Technology Assets, Computers, Networks, System and Data (IT Confidentiality and Acceptable Use Agreement).

**1. SCOPE OF SERVICES**

**1.1 DESCRIPTION**

Contractor shall provide System Maintenance specified in the body of the Agreement and this Exhibit D, as more fully described below. System Maintenance shall include Maintenance Services and Support Services. System Maintenance shall commence in accordance with the provisions set forth in Paragraph 5.3 (System Maintenance) of the Base Agreement and shall continue for the term of the Agreement.

Contractor shall provide System Maintenance for the System from Contractor’s business premises or as otherwise necessary to fulfill its obligations under the Agreement.

**1.2 DEFINITIONS**

1. As used herein, the term “Deficiency Credit(s)” shall have the meaning specified in Section 5.1 (Deficiency Credits).
2. As used herein, the term “Disabling Device(s)” shall have the meaning specified in 4.1 (General Warranties).
3. As used herein, the term “Disaster” shall have the meaning specified in Section 2.3 (Business Continuity).
4. As used herein, the term “Downtime” shall have the meaning specified in Section 5.1 (Deficiency Credits) in addition to the applicable definition for such term in Paragraph 1.3 (Definitions) of the Base Agreement.
5. As used herein, the term "Maintenance Services" shall have the meaning specified in Section 2.1.1 (Updates).
6. As used herein, the term “Scheduled Downtime” shall have the meaning set forth in Section 2.1.4 (Scheduled Downtime).
7. As used herein, the term “Support Hours” shall mean 7:00 a.m. to 7:00 p.m. Pacific Time daily.

8. As used herein the term "Support Services" shall have the meaning specified in Section 2.2.1 (Help Desk).
9. As used herein, the term "System Performance Deficiency" shall have the meaning specified in Section 5.2 (System Performance Requirements and Deficiencies).
10. As used herein, the term "System Performance Requirements" shall have the meaning specified in Section 5.2 (System Performance Requirements and Deficiencies).
11. As used herein, the term "System Performance Warranty" shall have the meaning specified in Section 4.3 (System Performance).
12. As used herein, the term "System Upgrade" shall have the meaning set forth in Section 5.2 (System Performance Requirements and Deficiencies).

## **2. SYSTEM MAINTENANCE**

### **2.1 MAINTENANCE SERVICES**

#### **2.1.1 UPDATES**

Contractor shall provide maintenance services related to System Software (hereinafter "Maintenance Services"), including Software Updates, as described in this section below. Contractor shall provide Software Updates to Application Software to keep current with Contractor's hosting technology standards, industry standards, Third Party Software upgrades, enhancements, updates, patches, bug fixes, etc., all in accordance with this Exhibit D, as coordinated with County's Project Manager.

Without limiting the other provisions of this Agreement, including, without limitation, this Exhibit D, such Software Updates shall be provided to County at least once every year, unless otherwise agreed to by County and Contractor. Contractor shall offer to County Software Updates, including, but not limited to, updates, enhancements, improvements and Version Releases of the Application Software, or any Component or module of such Application Software, and all Documentation related thereto promptly after the creation thereof.

Contractor shall notify County of all such Software Updates to the Application Software prior to the anticipated installation date thereof. Installation of each Software Update shall be subject to prior written or electronic approval of County's Project Manager. Contractor's provision and installation of such Software Updates to the Application Software shall be at no additional cost to County beyond any applicable Maintenance Fees. Any Updates necessary to remedy security problems in the Application Software (e.g., closing "back doors" or other intrusion-related problems), whether identified by Contractor, County or a third party, shall be provided to County within five (5) calendar days of Contractor's knowledge of the existence of such security problems, unless agreed to otherwise. County acknowledges that Contractor's software products require a product authorization code ("Setinit") issued by Contractor in order to operate, and such code is not a "security problem".

#### **2.1.2 OPERATING SOFTWARE**

Maintenance Services additionally include ongoing maintenance of Operating Software's compatibility with the Application Software. Prior to the installation of any Operating Software, Contractor shall test the compatibility of each update to the Operating Software with County's then-current Application Software and shall report its findings to County.

Contractor shall ensure that the Application Software is compatible with the required or critical updates to Operating Software, including, without limitation, service and compatibility packs and

security patches, within seven (7) calendar days or as soon as commercially reasonable after release of such update.

In the event it is determined that any required update is not compatible with the Application Software, Contractor shall provide County with a workaround to protect the integrity of the Application Software until such time as the Deficiency is corrected. Compatibility issues with Operating Software will be subject to Section 3 (Correction of Deficiencies) of this Exhibit D below.

### 2.1.3 SYSTEM HARDWARE

Contractor shall repair, upgrade or replace System Environment Components, including System Hardware and System Network, but excluding County Hardware, during the term of the Agreement to comply with the System Requirements and the Warranties specified in this Agreement and to support and be compatible with any Application Modifications, as necessary to comply with Contractor's System Maintenance obligations and the Warranties specified in this Agreement.

### 2.1.4 SCHEDULED DOWNTIME

Unless agreed to otherwise in advance by County and Contractor, Contractor shall provide all Maintenance Services, including installation of Software Updates, during Scheduled Downtime. For the purpose of this Exhibit D, "Scheduled Downtime" shall mean all time that the System Software cannot be accessed due to scheduled maintenance including, but not limited to, preventative maintenance, updates, upgrades, scheduled reboots and restarts. Contractor shall work with County to determine a mutually agreeable time for Scheduled Downtime. As of the Effective Date, the Scheduled Downtime covers an outage window during the third weekend of each month from 7:00 a.m. ET Saturday – 7:00 p.m. ET Sunday.

## 2.2 SUPPORT SERVICES

### 2.2.1 HELP DESK

Contractor shall provide support services in respect of the System as described in this Exhibit D and this Agreement generally (collectively "Support Services"). As part of its Support Services, Contractor shall provide operational support for the System during the Support Hours, which shall include without limitation providing a point of contact for all System problems by maintaining a Help Desk. Such operational support shall include Support Services to correct any failure of the System and to remedy Deficiencies in accordance with Section 3 (Correction of Deficiencies) below to ensure that the System operates in accordance with the Specifications and the System Requirements, including, without limitation, System Performance Requirements. The Help Desk will respond with a plan for resolving each Deficiency and notify County's Project Manager.

### 2.2.2 SYSTEM HOSTING

As part of Support Services, Contractor shall provide System hosting services by operating and maintaining the System Environment provided by Contractor, including System Hardware, System Software and Operating Software, at Contractor's Hosting Site. Contractor shall repair, upgrade or replace the System Environment Components during the term of the Agreement as necessary for the System to perform in accordance with the System Requirements and other Specifications and to support and be compatible with any and all Application Modifications, System Upgrades and any other changes or modifications to the System provided by Contractor under this Agreement.

2.3 BUSINESS CONTINUITY

Contractor provides for a Business Continuity Plan, which shall be made available to County at <http://www.sas.com/corporate/continuity.pdf>. Contractor shall work with County to coordinate and arrange for prompt recovery of the System Components affected by a disaster. Contractor has put in place and shall maintain in place throughout the term of the Agreement an IT recovery plan for the provision of adequate IT related backup capabilities, including associated equipment, facilities, systems and personnel, at various third party and/or Contractor affiliate locations worldwide, designed to enable Contractor to provide such recovery and perform its obligations under the Agreement with minimal disruptions or delays. Contractor shall implement recovery efforts promptly following the occurrence of a Disaster which affects the System. Upon County's request, Contractor shall advise County representatives of the status of recovery and describe its IT related backup capabilities and planned recovery efforts. Contractor's Recovery Time Objective (hereinafter "RTO") for all communications shall be 72 hours following a Disaster. Contractor and County shall agree on a plan and RTO for full recovery of systems and services. Contractor shall restore as expeditiously as practicable all systems and services affected by a Disaster to the extent they adversely impact the System. It is understood that all recovery efforts by Contractor under this Agreement are rendered on a best efforts basis without any warranty expressed or implied. If at any time during the term of the Agreement County seeks to purchase enhanced recovery services, the parties agree to discuss options available for such purposes. For purposes of this Section, the term "Disaster" shall mean any unplanned event that is anticipated to disrupt or disrupts the System provided or made available to County pursuant to this Agreement for a period of 72 hours or more.

3. **CORRECTION OF DEFICIENCIES**

3.1 IDENTIFICATION OF DEFICIENCIES

The Deficiencies under this Agreement may be identified either as a result of Contractor's use of its own support system or discovered by County. Upon discovery of a Deficiency by County, County will report the Deficiency to Contractor's Help Desk for resolution in accordance with this Exhibit D.

The Severity Level of the Deficiency shall be assigned mutually by County and Contractor. Based on Contractor's proposed solution and/or workaround(s) for the Deficiency, County and Contractor may reevaluate and, escalate or downgrade the Severity Level of the Deficiency pursuant to Section 3.2.3 (Severity Level Adjustment) below. If a mutually agreed upon resolution cannot be reached, County will exercise Dispute Resolution Procedure as specified in Paragraph 53 (Dispute Resolution Procedure) of the Base Agreement.

For purposes of this Agreement, the term Deficiency does not include any failure or delay in performance caused by reasons beyond Contractor's reasonable control, including, but not limited to, acts of God, third-party mechanical or other equipment breakdowns, fire, explosions, fiber optic cable cuts, interruption or failure of telecommunication or digital transmission links, Internet failures or delays, storms, actions of County or its personnel or agents or other similar events.

3.2 RESOLUTION OF DEFICIENCIES

3.2.1 PROBLEM CORRECTION PRIORITIES

County and Contractor shall mutually assign one of the Severity Levels specified below to each incident of Deficiencies reported by County to Contractor's Help Desk and/or entered in

Contractor's incident tracking system. Following report of a Deficiency from County, Contractor shall respond back to County within the prescribed "Response Time" specified below, while each such Deficiency shall be resolved within the specified "Resolution Time". If a mutually agreed upon resolution cannot be reached, County will exercise Dispute Resolution Procedure as specified in Paragraph 53 (Dispute Resolution Procedure) of the Base Agreement.

<b>SEVERITY LEVEL</b>	<b>DESCRIPTION OF DEFICIENCY</b>	<b>RESPONSE TIME</b>	<b>RESOLUTION TIME</b>
1 - Critical	Widespread System unavailability – Production System is down or any System Component is completely or functionally inoperable. Making a major operational impact to County.	One (1) hour	Eight (8) hours
2 - Major	Problem that substantially degrades performance of any Application Software component or materially restricts business; restricts use of one or more modules or features of Application Software to perform necessary business functions, but not entire Application Software. Users can use Application Software; but an important function of it is not available; operations are severely impacted.	Three (3) Business Hours	Twenty-four (24) Business Hours
3 - Minor	A problem that causes only a minor impact on the use of the Application Software. The problem can be easily circumvented. The problem can cause some functional restrictions, but it does not have a critical or severe impact on operations.	Five (5) Business Hours	Two (2) weeks
4 – Low Impact	This is a low impact problem and is not significant to operations or is related to education (e.g., general “how to” and informational Application Software questions, Documentation requests, understanding of reports or general “how to” create reports).	Two (2) Business Days	Earlier of (i) the next Version Release or (ii) 12 months of County’s report thereof, beginning when County reports Deficiency to Contractor.

**3.2.2 PROBLEM RESOLUTION PROCESS**

For any Deficiency reported by County or discovered by Contractor, Contractor shall immediately commence corrective action. Contractor shall correct all Deficiencies within the Resolution Times specified above. Contractor shall also immediately commence to develop a workaround or a fix for any Deficiency of Severity Level 1.

Contractor shall provide the best level of effort to correct all Deficiencies, and in particular Deficiencies of Severity Levels 1 through 3. In the event that Contractor fails to correct a Deficiency within the prescribed Resolution Time, Contractor shall provide County with a written or electronic report that includes a detailed explanation of the status of such Deficiency, preliminary actions taken, detailed mitigation plans and an estimated time for completing the correction of such Deficiency. This process will be repeated until the Deficiency is resolved and approved by County’s Project Manager. The parties will jointly cooperate during this period of time.

All Severity Level 4 Deficiencies shall be corrected by the earlier of (i) the next Version Release or (ii) twelve (12) months from County's report of such Deficiency, as specified above.

**3.2.3 SEVERITY LEVEL ADJUSTMENT**

County and Contractor may mutually agree to escalate or downgrade a Severity Level of a Deficiency if the Deficiency meets the definition of the Severity Level as escalated or downgraded. A Deficiency may also be mutually escalated by County and Contractor, if the Deficiency persists or re-occurs, as determined by County's Project Manager. At the time the Deficiency is escalated or downgraded, an appropriate timeline will be applied for resolution of such Deficiency in accordance with Section 3.2.1 (Problem Correction Priorities) above. If a mutually agreed upon resolution cannot be reached, County will exercise Dispute Resolution Procedure as specified in Paragraph 53 (Dispute Resolution Procedure) of the Base Agreement.

**4. WARRANTIES**

**4.1 GENERAL WARRANTIES**

Contractor represents, warrants, covenants and agrees that throughout the term of this Agreement:

1. Contractor shall comply with the description and representations (including, but not limited to, Deliverable documentation, performance capabilities, accuracy, completeness, characteristics, Specifications, configurations, standards, functions and requirements applicable to professional software design meeting industry standards) set forth in this Agreement, including Exhibit A (Statement of Work) with all Attachments thereto, including System Requirements and System Performance Requirements.
2. All System Components shall interface and be compatible with each other; and the System Components, when taken together, shall be capable of delivering all of the functionality as set forth in this Agreement (including, without limitation, the Recitals, System Requirements, System Performance Requirements and the Specifications).
3. Unless specified otherwise herein, the System shall be free from any and all material Deficiencies.
4. The level of System Maintenance services shall not degrade during the term of the Agreement.
5. Contractor shall not intentionally cause any unplanned interruption of the operations of, or accessibility to the System or any System Component through any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", or "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of compromising the security of County's confidential or proprietary information or of causing any unplanned interruption of the operations of, or accessibility of the System or any System Component to County or any User or which could alter, destroy, or inhibit the use of the System, any System Component, or the data contained therein (collectively referred to for purposes of this Exhibit D as "Disabling Device(s)"), which could block access to or prevent the use of the System or any System Component by County or Users. Contractor represents, warrants and agrees that it has not purposely placed, nor is it aware of, any Disabling Device on any System Component provided to County under this Agreement, nor shall Contractor knowingly permit any subsequently delivered System Component to contain any Disabling Device. Contractor's Setinit is not a Disabling Device as defined herein.

In addition, Contractor shall prevent viruses from being incorporated or introduced into the System Software or updates or enhancements thereto prior to delivery and installation thereof to County and shall prevent any viruses from being incorporated or introduced in the process of Contractor's loading of System Software, or updates and enhancements thereto, or being introduced in the process of Contractor's performance of on-line support. County acknowledges that Contractor is not necessarily the manufacturer of the virus protection software. County is solely responsible for virus protection measures on County's client devices and its County controlled network.

#### 4.2 SYSTEM WARRANTIES

Contractor also represents, warrants, covenants and agrees that throughout the term of this Agreement:

1. While County is covered by System Maintenance, Contractor shall support all Application Software components in their respective then-existing architecture and for their respective then-existing Version Releases and the most recent prior two (2) Version Releases for the term of this Agreement.
2. System Software shall be fully integrated and interfaced as required by the System Requirements relating to Interfaces.
3. Application Software shall be fully compatible with the rest of the System Software Components and any County software operated by County on the County Hardware.
4. None of the Application Software requires execution by County of software licenses with third parties.
5. The System Components shall interface and be compatible with each other; and the System Components, when taken together, shall be capable of delivering all of the functionality and meeting all requirements as set forth in this Agreement (including, without limitation, the Recitals, System Requirements and the Specifications).

#### 4.3 SYSTEM PERFORMANCE

Contractor represents, warrants, covenants and agrees that the System shall meet the System Performance Requirements, including, but not limited to, those related to System Response Time and System Availability, as specified in Attachment A.1 (System Requirements) and Section 5.2 (System Performance Requirements and Deficiencies) of this Exhibit D below. All System Performance Deficiencies shall be deemed at a minimum as Severity Level 2 for the purpose of the correction of Deficiencies and other remedies.

County and Contractor shall mutually agree on a set of benchmark operations that Contractor can trend over time and will trigger an upgrade decision based on a pre-determined threshold. Trends can be forecasted to allow time to order, install and test additional hardware.

### 5. **REMEDIES**

#### 5.1 DEFICIENCY CREDITS

##### 5.1.1 GENERAL

Credits shall accrue for Contractor's failure to timely correct any Severity Level 1 or Severity Level 2 Deficiency and/or for the occurrence of three (3) or more Severity Level 1 Deficiencies in any single calendar month (collectively and individually, "Deficiency Credit(s)").

Without limiting any other rights and remedies available to County, either pursuant to this Agreement, by law or in equity, County shall be entitled to Deficiency Credits in the event that either (i) Contractor fails to correct a Severity Level 1 or Severity Level 2 Deficiency (hereinafter also “Downtime”) within the timeframes set forth in Section 3 (Correction of Deficiencies) of this Exhibit D, or such longer period as agreed to by County and Contractor, or (ii) three (3) or more Severity Level 1 Deficiencies occur in any calendar month during the term of this Agreement.

Deficiency Credits shall not be assessed for Downtime occurring during mutually agreed upon scheduled or planned shut down of the System Hardware, Scheduled Downtime or Response Time testing.

**5.1.2 ASSESSMENT OF DEFICIENCY CREDITS**

1. If Contractor fails to correct any Severity Level 1 or Severity Level 2 Deficiency within the timeframes set forth in this Exhibit D, then in each instance, County may, in its sole discretion, assess Deficiency Credits in amounts per day for each day, or portion thereof, during which any Deficiency continues beyond the Resolution Time prescribed for the applicable Severity Level of such Deficiency, as set forth below:
  - i. For each Severity Level 1 Deficiency, Two Hundred Dollars (\$200) per day;
  - ii. For each Severity Level 2 Deficiency, One Hundred Dollars (\$100) per day; and

The amount of time elapsed for the calculation of Deficiency Credits will be determined by the timestamp or other evidence issued by the Help Desk at such time as a service request is sent by County to Contractor.
2. Notwithstanding anything to the contrary set forth in this Exhibit D, (i) any Deficiency Credits accruing to County as a result of a Downtime or Deficiency shall be based upon its escalated or downgraded Severity Level, if applicable, assigned to such Deficiency in accordance with Section 3.2.3 (Severity Level Adjustment) of this Exhibit D; and (ii) the maximum amount of Deficiency Credits for any month of the term of the Agreement is Five Thousand Dollars (\$5,000).

Contractor shall be liable to County for Deficiency Credits in the amounts as specified above. Deficiency Credits, in any amounts, are not and shall not be construed as penalties and, when assessed, will be deducted from County’s payment due to Contractor.

**5.2 SYSTEM PERFORMANCE REQUIREMENTS AND DEFICIENCIES**

Contractor shall during the term of the Agreement maintain the System Performance Requirements as specified below and further described in the applicable sections of Attachment A.1 (System Requirements).

SYSTEM PERFORMANCE CATEGORY	SYSTEM PERFORMANCE REQUIREMENT
System Availability	Ninety-nine percent (99%)
System Response Time	(i) Average of five (5) seconds for 85% of transactions <u>and</u> (ii) Shall not exceed 30 seconds for 15% of transactions



In the event the System fails to meet the System Performance Requirements, including Response Times (hereinafter "System Performance Deficiency"), and upgrade, repair or replacement of any of the System Environment Components (hereinafter "System Upgrade"), including operating software, hardware and/or networking components, is necessary to remedy the Deficiency, Contractor shall perform the necessary System Upgrade at no cost to County during the term of the Agreement. Failure by Contractor to meet the System Performance Requirements specified herein shall entitle County to the Deficiency credits based on the applicable Severity Level as specified in Section 5.1 (Deficiency Credits).



## **SCHEDULE D.1**

### **COUNTY REMOTE ACCESS POLICY**

This Schedule D.1 (County Remote Access Policies) sets forth the policies and procedures for Contractor's remote access to County's network.

#### **1. PURPOSE**

The purpose of this policy is to define standards for connecting to any DPSS network from any host. These standards are designed to minimize the potential exposure to DPSS from damages that may result from unauthorized use of a vendor's resources. Damages include the loss of sensitive or company confidential data, intellectual property, damage to public image, or damage to critical DPSS internal systems.

#### **2. POLICY**

The computer systems, networks and data repositories of County's Department of Public Social Services' networks are critical resources and must be protected against unauthorized and/or malicious access. Authorized users of DPSS computer systems, networks and data repositories may be permitted to remotely connect to those systems, networks and data repositories for the conduct of DPSS-related business only through secure, authenticated and carefully managed access methods.

It is the responsibility of County approved vendors and their employees, contractors and agents with remote access privileges to any DPSS networks to ensure that their remote access connection to any of our applications is given the same consideration as the user's on-site connection.

DPSS facilities will have and maintain complete control of access into their networks. DPSS facilities will open up the portal when access is needed and will shut down portal access when the vendor has completed their required work.

Secure remote access must be strictly controlled. Control will be enforced via RSATM one-time password tokens that will be assigned accordingly. At no time should any outside vendor provide their token, login or password to anyone.

County approved vendors and their employees, contractors and agents with remote access privileges must ensure at their vendor-owned personal computer or workstation, which is remotely connected to any DPSS network, is not connected to any other network at the same time.

All remote vendor or business partner connections to the DPSS network must be secured with industry standard encryption (e.g., SSL, SSH, IPSEC, etc.) and authentication mechanisms. Connections should be restricted by IP address and service (port). Back-end systems that are accessed through remote connections must be properly secured (locked down to the extent possible) to ensure other portions of the DPSS network cannot be accessed from those devices.

The remote connections and related activities must be auditable and reviewed for appropriateness on a regular basis by the responsible DPSS system administrator(s). Remote connection audit logs must be retained for at least one year. Audit logs must be provided upon request.

All hosts, including personal computers, connected to any DPSS internal networks via remote access technologies must use the most up-to-date anti-virus software as determined by DPSS Information Technologies (DPSS/IT).

Personal equipment used to connect to any DPSS network must meet all DPSS remote access requirements.

#### **3. CROSS REFERENCES SCHEDULE D.3**

Board of Supervisors Policy 6.101, Use of County Information and Technology Resources.

## SCHEDULE D.2

### LA COUNTY EXTRANET IT SECURITY STANDARDS (Draft)

#### STANDARD:

1. LA County vendors that are connecting to the extranet in order to access various LA County IT systems must agree to the following 'LA County extranet' IT security standards - prior to obtaining approval for connectivity:
  - 1.1 Vendor must review and adhere to all applicable LA County IT written security policies, procedures and standards.
  - 1.2 Vendor must connect to 'LA County extranet' via secure methods such as private or dedicated circuits.
  - 1.3 Vendor must provide specific TCP/IP source and destination addresses - and port numbers for all connectivity. This information will be used to define access-list and firewall restrictions to control access to and from the resources. This information should also be utilized at the vendor network access-points as well.
  - 1.4 Vendor must encrypt any sensitive data in transmission and at-rest in accordance to the County's 'external agencies data classification standards'.
  - 1.5 Vendor must employ authentication methods prior to accessing LA County resources. Each user must have unique user identity and strong passwords
  - 1.6 Vendor must enable logging and auditing functions on servers and applications - review logs on a regular basis
  - 1.7 Vendor must maintain their PC and server anti-virus program and regularly update definitions.
  - 1.8 Vendor must also establish and implement PC and server OS security base-lines and keep security patches up-to-date
  - 1.9 Vendor must conduct background checks on all employees and contractors. Ensure that only authorized staff is granted access to County systems.
  - 1.10 Vendor must have formal written approval process for changes to LA County connections or access
  - 1.11 Vendor must establish help desk call-back list and written escalation procedures
  - 1.12 Vendor must have dedicated IT Security personnel on staff.

Name/date:

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**SCHEDULE D.3**

**IT CONFIDENTIALITY  
AND  
ACCEPTABLE USE AGREEMENT**

**FOR**

**ENTERPRISE LINKAGES PROJECT**

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**NOVEMBER 1, 2010**

**COUNTY OF LOS ANGELES  
AGREEMENT FOR ACCEPTABLE USE AND  
CONFIDENTIALITY OF  
COUNTY'S INFORMATION TECHNOLOGY ASSETS,  
COMPUTERS, NETWORKS, SYSTEMS AND DATA**

As a Los Angeles County employee, contractor, vendor or other authorized user of County Information Technology (IT) assets including computers, networks, systems and data, I understand that I occupy a position of trust. I will use County IT assets for County management approved business purposes only and maintain the confidentiality of County's business and Citizen's private data. As a user of County's IT assets, I agree to the following:

1. Computer crimes: I am aware of California Penal Code 502(c) - Comprehensive Computer Data Access and Fraud Act (attached). I will immediately report any suspected computer misuse or crimes to my Management.
2. Security access controls: I will not subvert or bypass any security measure or system which has been implemented to control or restrict access to computers, networks, systems or data. I will not share my computer identification codes (log-in ID, computer access codes, account codes, IDs, etc.) or passwords.
3. Approved business purposes: I will use the County's Information Technology (IT) assets including computers, networks, systems and data for County management approved business purposes only.
4. Confidentiality: I will not access or disclose any County program code, data, information or documentation to any individual or organization unless specifically authorized to do so by the recognized information owner.
5. Computer virus and malicious code: I will not intentionally introduce any computer virus, worms or malicious code into any County computer, network, system or data. I will not disable or delete computer virus detection and eradication software on County computers, servers and other computing devices I am responsible for.
6. Offensive materials: I will not access or send any offensive materials, e.g., sexually explicit, racial, harmful or insensitive text or images, over County owned, leased or managed local or wide area networks, including the public Internet and other electronic mail systems, unless it is in the performance of my assigned job duties, e.g., law enforcement. I will report to my supervisor any offensive materials observed by me or sent to me on County systems.
7. Public Internet: I understand that the Public Internet is uncensored and contains many sites that may be considered offensive in both text and images. I will use County Internet services for approved County business purposes only, e.g., as a research tool or for electronic communication. I understand that the County's Internet services may be filtered but in my use of them I may be exposed to offensive materials. I agree to hold the County harmless should I be inadvertently exposed to such offensive materials. I understand that my Internet activities may be logged, are a public record, and are subject to audit and review by authorized individuals.
8. Electronic mail and other electronic data: I understand that County electronic mail (e-mail), and data, in either electronic or other forms, are a public record and subject to audit and review by authorized individuals. I will comply with County e-mail use policy and use proper business etiquette when communicating over e-mail systems.
9. Copyrighted materials: I will not copy any licensed software or documentation except as permitted by the license agreement.
10. Disciplinary action for non-compliance: I understand that my non-compliance with any portion of this Agreement may result in disciplinary action including my suspension, discharge, denial of service, cancellation of contracts or both civil and criminal penalties.

**CALIFORNIA PENAL CODE 502(c) -  
“COMPREHENSIVE COMPUTER DATA ACCESS AND FRAUD ACT”**

Below is a section of the “Comprehensive Computer Data Access and Fraud Act” as it pertains specifically to this Agreement. California Penal Code 502(c) is incorporated in its entirety into this Agreement by reference and all provisions of Penal Code 502(c) apply. For a complete copy, consult the Code directly at website [www.leginfo.ca.gov/](http://www.leginfo.ca.gov/).

502.(c) Any person who commits any of the following acts is guilty of a public offense:

- (1) Knowingly accesses and without permission alters, damages, deletes, destroys, or otherwise uses any data, computer, computer system, or computer network in order to either (A) devise or execute any scheme or artifice to defraud, deceive, or extort, or (B) wrongly control or obtain money, property, or data.
- (2) Knowingly accesses and without permission takes, copies or makes use of any data from a computer, computer system, or computer network, or takes or copies supporting documentation, whether existing or residing internal or external to a computer, computer system, or computer network.
- (3) Knowingly and without permission uses or causes to be used computer services.
- (4) Knowingly accesses and without permission adds, alters, damages, deletes, or destroys any data, computer software, or computer programs which reside or exist internal or external to a computer, computer system, or computer network.
- (5) Knowingly and without permission disrupts or causes the disruption of computer services or denies or causes the denial of computer services to an authorized user of a computer, computer system, or computer network.
- (6) Knowingly and without permission provides or assists in providing a means of accessing a computer, computer system, or computer network is in violation of this section.
- (7) Knowingly and without permission accesses or causes to be accessed any computer, computer system, or computer network.
- (8) Knowingly introduces any computer contaminant into any computer, computer system, or computer network.

**I HAVE READ AND UNDERSTAND THE ABOVE AGREEMENT:**

_____ Employee's Name	_____ Employee's Signature	_____ Date
_____ Manager's Name	_____ Manager's Signature	_____ Date

**EXHIBIT E**

**CONFIDENTIALITY AND ASSIGNMENT AGREEMENT**

CONTRACTOR SAS Institute Inc.

**1. GENERAL INFORMATION**

The organization identified above ("Contractor") is under contract ("Contract") to provide Work (as such term is defined in the Contract) to the County of Los Angeles ("County"). County requires each employee, agent, consultant, outsourced vendor and independent contractor (in this Exhibit E "staff") of this Contractor performing Work under such Contract to understand his/her obligations with respect to the personal, proprietary and other confidential material, data or information, with which he/she will be in contact. Contractor, by executing this Confidentiality and Assignment Agreement ("Agreement"), represents that it shall ensure each such staff member's compliance with the obligations regarding such data and information, as set forth in the Contract, including this Exhibit E.

**2. CONTRACTOR ACKNOWLEDGMENT**

Contractor understands and agrees that all of Contractor's, or any subcontractor's, staff that will provide Work pursuant to the above-referenced Contract are Contractor's, or any subcontractor's, sole responsibility. Contractor understands and agrees that its, or any subcontractor's, staff must rely exclusively upon Contractor, or any subcontractor, for payment of salary and any and all other benefits payable by virtue of such staff's performance of Work under the above-referenced Contract.

Contractor understands and agrees that its, or any subcontractor's, employees are not employees of County for any purpose whatsoever and that such staff do not have and will not acquire any rights or benefits of any kind from County by virtue of performance of Work under the above-referenced Contract. Contractor understands and agrees that its, or any subcontractor's, staff do not have and will not acquire any rights or benefits from County pursuant to any agreement between any person or entity and County.

**3. CONFIDENTIALITY**

Contractor, any subcontractor, and their staff, by virtue of performing Work under the above-referenced Contract, may come in contact with (i) Confidential Information (as such term is defined in the Base Agreement to the Contract), (ii) data and information, which County has an obligation to keep confidential by applicable law or otherwise, and (iii) proprietary information belonging to other organizations doing business with County Contractor, any of its subcontractors (collectively for the purpose of this Exhibit E "Confidential Information"). By signing this Agreement, Contractor agrees that, by virtue of involvement in the Work under the Contract, it, any subcontractor, and their staff shall protect the confidentiality of all such Confidential Information pursuant to the terms of Paragraph 21 (Confidentiality and Security) of the Base Agreement and as specified below.

Contractor agrees, on behalf of itself, its subcontractors and all staff, (i) to protect from loss and hold in confidence any and all Confidential Information; (ii) not to directly or indirectly reveal,



report, publish, transfer, reproduce to, or for the benefit of, any unauthorized person or otherwise disclose any Confidential Information obtained while performing Work under the above-referenced Contract; and (iii) to utilize the Confidential Information solely for the limited purpose of providing Work pursuant to the Contract. Contractor's, or any subcontractor's, staff shall forward all requests for disclosure or copying of any such information in their possession or care to County's Project Manager under the Contract.

Contractor agrees to report to County's Project Manager under the Contract any and all violations of this Agreement, including unauthorized disclosures or copying of Confidential Information, whether accidental or intentional, and whether by Contractor's, or any subcontractor's, staff and/or by any other person, of which such staff become aware. Contractor agrees and shall ensure that its, or any subcontractor's, staff return possession of all Confidential Information to County's Project Manager under the Contract upon completion of the above-referenced Contract, or termination of employment with the Contractor, or any subcontractor, whichever occurs first.

**4. ASSIGNMENT OF PROPRIETARY RIGHTS**

As used in this Agreement, "Products" means any inventions, trade secrets, ideas, original works of authorship or Confidential Information conceived, developed, discovered or made in whole or in part during performance of Work relating to the Contract by any employee, agent, consultant, outsourced vendor or independent contractor of Contractor, including County Materials (as such term is defined in the Base Agreement to the Contract). All Products, while produced, shall belong exclusively to Contractor whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all Products shall be deemed to be "works made for hire" under the United States Copyright Act, and Contractor shall be deemed to be the author thereof.

If and to the extent any Products are determined not to constitute "works made for hire", or if any rights in the Products do not accrue to Contractor as a work made for hire, Contractor agrees to ensure that all right, title and interest in such Products, including but not limited to all copyrights, patents, trade secret rights and other proprietary rights in or relating to the Products, are irrevocably assigned and transferred to Contractor to the maximum extent permitted by law all. Without limiting the foregoing, Contractor agrees to ensure that (i) all economic rights to the Products, including the exclusive and unrestricted right to reproduce, manufacture, use, adapt, modify, publish, distribute, sublicense, publicly perform and communicate, translate, lease, import, export, transfer, convey, and otherwise exploit the Products, are assigned and transferred to Contractor; (ii) Contractor is entitled to any and all modifications, uses, publications and other exploitation of the Products without consequences; and (iii) Contractor obtains United States or foreign letters patent, copyright registrations and other proprietary rights covering inventions and original works of authorship in the Products.

Contractor agrees to execute all necessary documents and to perform all other acts in order to assign all of Contractor's right, title and interest in the Products in accordance with Paragraph 16.2 (Transfer to County) of the Base Agreement to the Contract.

SIGNED \_\_\_\_\_ DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED \_\_\_\_\_ TITLE \_\_\_\_\_

**SCHEDULE E.1**  
**NON-DISCLOSURE AGREEMENT**

As part of performing work relating to the Agreement between the County of Los Angeles ("County") and SAS Institute Inc. ("Contractor" or "SAS") for Enterprise Linkages Project ("ELP Agreement"), I may have access to (i) confidential data and/or information pertaining to persons and/or entities receiving services from the County, including data and information concerning health, criminal and welfare recipient records; (ii) System Data, including any information related to participant cases or records; (iii) proprietary information supplied by other vendors doing business with the County; and/or (iv) data, material or information resulting from my specific participation in the development, customization or improvement of the System or the County's project (collectively "Confidential Information"). I acknowledge that I must sign this agreement as a condition of my work to be provided by my employer, SAS or its subcontractor, for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I shall (i) not divulge to any unauthorized person any Confidential Information obtained while performing work pursuant to the ELP Agreement; (ii) protect from loss and hold in confidence all Confidential Information; (iii) not directly or indirectly reveal, report, publish transfer or otherwise disclose to any other person or entity, any Confidential Information for any purpose whatsoever; and (iv) utilize all Confidential Information solely for the limited purpose of performing work under the ELP Agreement. I agree to forward all requests for the release of any Confidential Information received by me to my immediate supervisor.

I also 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 Information to my immediate supervisor upon completion of the work pursuant to the ELP Agreement or termination of my employment with my employer, whichever occurs first.

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

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_/\_\_\_/\_\_\_

EMPLOYEE NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

EMPLOYER: \_\_\_\_\_

**EXHIBIT F**

**Contractor’s Equal Employment Opportunity (EEO) Certification**

SAS Institute Inc  
Company Name

100 SAS Campus Drive, Cary, NC 27513  
Address

56-1133017  
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.	(X)	( )
2. Proposer periodically conducts a self-analysis or utilization analysis of its work force.	(X)	( )
3. Proposer has a system for determining if its employment practices are discriminatory against protected groups.	(X)	( )
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.	(X)	( )

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title of Signer (please print)

EEO CERTIFICATION

**ADMINISTRATION OF AGREEMENT**

**I. COUNTY KEY PERSONNEL**

**A. COUNTY'S PROJECT DIRECTOR**

Name: Manuel H. Moreno, Ph.D  
Title: Administrator  
Address: Chief Executive Office  
Service Integration Branch  
Research and Evaluation Services  
222 South Hill Street, 5<sup>th</sup> Floor  
Los Angeles, CA 90012  
Telephone: (213) 974-5849  
Facsimile: (213) 620-7131  
E-Mail Address: [mmoreno@ceo.lacounty.gov](mailto:mmoreno@ceo.lacounty.gov)

**B. COUNTY'S PROJECT MANAGER**

Name: Halil Toros  
Title: Program Specialist IV  
Address: Chief Executive Office  
Service Integration Branch  
Research and Evaluation Services  
222 South Hill Street, 5<sup>th</sup> Floor  
Los Angeles, CA 90012  
Telephone: (213) 974-5162  
Facsimile: (213) 620-7131  
E-Mail Address: [htoros@ceo.lacounty.gov](mailto:htoros@ceo.lacounty.gov)

**II. CONTRACTOR KEY PERSONNEL**

**A. CONTRACTOR'S PROJECT DIRECTOR**

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail Address:

**B. CONTRACTOR'S PROJECT MANAGER**

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail Address:

**C. CONTRACTOR'S OFFICE**

Address:

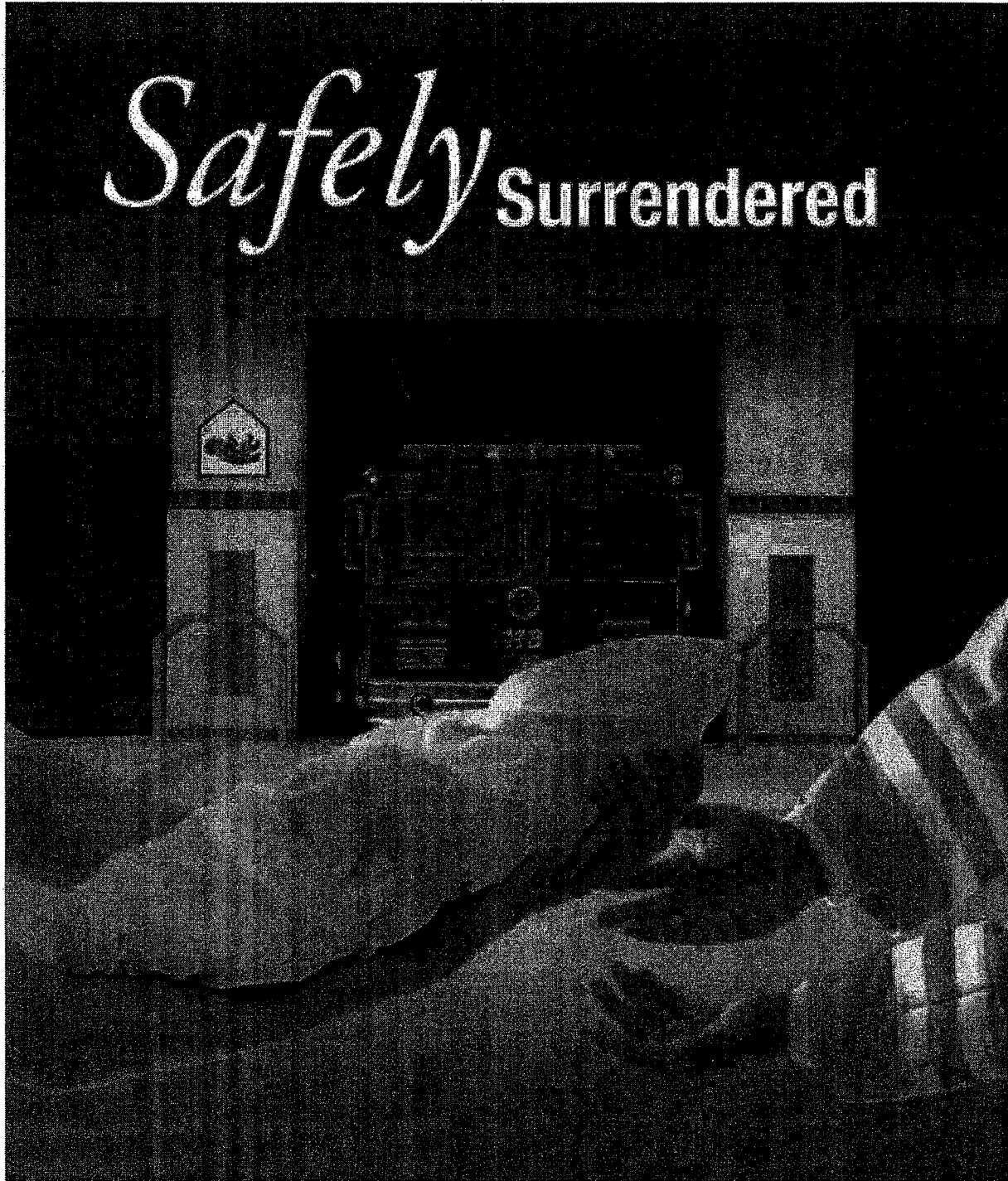
**EXHIBIT H**  
**SAFELY SURRENDERED BABY LAW**

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

**[www.babysafela.org](http://www.babysafela.org)**

**EXHIBIT H**  
**SAFELY SURRENDERED BABY LAW**

# *Safely* Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafe.org](http://www.babysafe.org)



# EXHIBIT H

## SAFELY SURRENDERED BABY LAW

In Los Angeles County | 877 BABY SAFE | 877 229 9723

[www.babysafela.org](http://www.babysafela.org)

# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

The Safely Surrendered Baby Law allows a parent or other person who is unable or unwilling to care for a baby to legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign 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, staff 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 or other surrendering adult.

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

While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents 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 no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign 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, staff 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 or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby 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?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

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

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

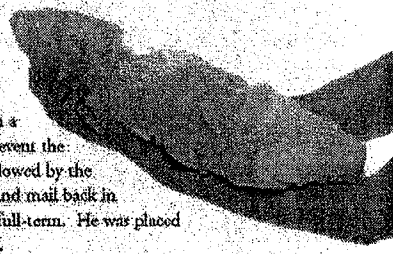
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents 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 no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

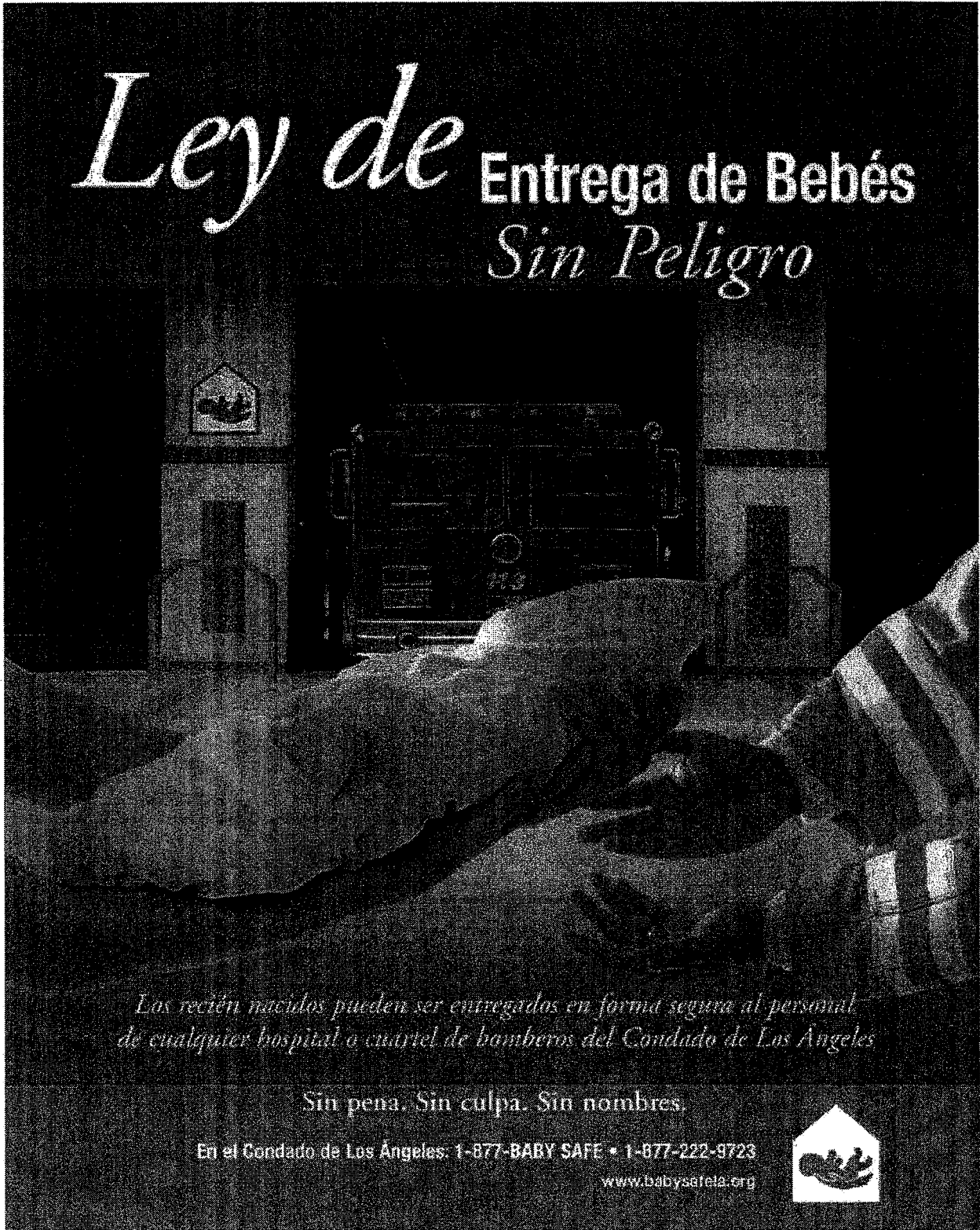
Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.





**EXHIBIT H**  
**SAFELY SURRENDERED BABY LAW**

# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Angeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Angeles: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafe1a.org](http://www.babysafe1a.org)



# EXHIBIT H

## SAFELY SURRENDER BABY LAW

En el Condado de Los Angeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

### Ley de Entrega de Bebés Sin Peligro

#### ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California le permite entregar voluntariamente un recién nacido a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

#### ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

#### ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

#### ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

#### ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

#### ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

#### ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

#### ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

#### ¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

### Historia de un bebé

A la mañana temprana del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.

**EXHIBIT I — Charitable Contributions Certification**

SAS Institute Inc.  
Company Name

100 SAS Campus Drive, Cary, NC 27513  
Address

56-1133017  
Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts “CT” number (if applicable)

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

**Check the Certification below that is applicable to your company.**

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

**OR**

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title of Signer (please print)

**EXHIBIT J**  
**COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM**  
**CERTIFICATION FORM AND APPLICATION FOR EXCEPTION**

The County’s solicitation for this Request for Proposals is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All Proposers, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Proposer is excepted from the Program.

Company Name: SAS Institute Inc.			
Company Address: SAS Campus Drive.			
City: Cary	State: NC	Zip Code: 27513	
Telephone Number: 919-67708000			
Solicitation For _____ Services:			

*If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.*

**Part I: Jury Service Program is Not Applicable to My Business**

- My business does not meet the definition of “contractor,” as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.
- My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exception will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

“Dominant in its field of operation” means having more than ten employees, including full-time and part-time 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.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

**Part II: Certification of Compliance**

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

*I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.*

Print Name:	Title:
Signature:	Date:

**INFORMATION TECHNOLOGY FUND  
PROPOSAL**

**PROJECT TITLE**

ENTERPRISE LINKAGES PROJECT (ELP)

**PROJECT LEADER**

Manuel Moreno, Chief Executive Office, 213 974-5849, 213 620-7131 (fax),  
[mmoreno@ceo.lacounty.gov](mailto:mmoreno@ceo.lacounty.gov)

Halil Toros, Chief Executive Office, 213 974-5162, [htoros@ceo.lacounty.gov](mailto:htoros@ceo.lacounty.gov)

**BACKGROUND**

The Adult Linkages Project (ALP) system was developed by the Chief Executive Office-Service Integration Branch (CEO-SIB) and the Department of Public Social Services (DPSS) in collaboration with several County departments. The ALP system has received both external validation in the way of an award from Computerworld, and has also been recognized as a critically successful solution by the Board of Supervisors and the National Association of Counties. CEO-SIB completed ALP in 2009 and resulted in the implementation of a SAS data warehouse which links information from a group of participants in the General Relief (GR) program with information on services provided to this cohort by several County departments. The data warehouse also contains information on the cost incurred by the County in providing these services. ALP was utilized to produce an analysis of the complex patterns of services accessed by GR participants and its cost which was submitted to the Board of Supervisors. ALP has been utilized by CEO-SIB to provide evidence-based information in support of the County's effort to restructure the GR program.

Application of the ALP technology has to date been limited to analytical purposes, providing the CEO and DPSS, as well as other County departments involved in the ongoing provision of services to GR recipients, with information on the GR population's complex service utilization patterns, along with the costs departments face in making these services available to recipients.

On October 6, 2009 the Board of Supervisors approved several recommendations for the restructuring of the GR program. One of these recommendations directs CEO-SIB and DPSS to expand the ALP system developed by CEO-SIB for the purposes of real-time identification of individual recipients who are heavy users of other services provided through the County. Expansion of the ALP system will be implemented as part of the Enterprise Linkages Project (ELP).

## **DESCRIPTION OF THE PROJECT**

The ELP application will provide a web-based interface to enable authorized users from DPSS to perform searches using specified criteria in order to obtain summarized views of all services and the cost to County Departments for providing GR recipients and indigent adults with such services. This interface will eliminate redundancies, link recipients with services in a more efficient manner and reduce the need for certain types of services, all leading to significant cost avoidance for the Departments providing services to County's GR population. The provision of these targeted services is also expected to boost the number of GR recipients gaining either employment or approval for Supplemental Security Income (SSI), thereby leading to additional cost avoidance across County Departments.

Under the original ALP system the utility of the technology is limited. Every time an analysis of recipient's service utilization history becomes necessary within a specific sub-set of specific County program, (such as foster care children, homeless families, etc), a new data collection and linkage process across several County Departments is required, which consumes significant time and resources. In addition, the original ALP data warehouse platform is not accessible to other departments through a web-enabled interface.

The departments of Community and Senior Services, Children and Family Services, Health Services, Mental Health, Probation, Public Health, and the Sheriff's will participate in ELP commencing with the ALP Solution by providing data on the cost and services provided to GR participants. DPSS will provide program data on all GR participants and will access ALP through a web-based interface, enabling authorized social workers to identify GR recipients who are heavy users of other services provided by County Departments. The implementation of ELP is aligned with the County of Los Angeles Strategic Plan and consistent with the currently approved Department Business Automation Plan. The ELP's technical solution complies with both the County of Los Angeles IT Directions and with preferred County IT Standards.

The project can be ported to other departments by incorporating data from other County programs and services as another data mart in ELP and by adding end-user interfaces to allow web-based access to departments who wish to participate.

The scope of the ELP project has three main objectives: (1) Implementation of the ALP Solution using SAS software to identify GR recipients who are heavy users of County services; (2) upgrading of SIB's existing SAS software for implementation of the new expanded ALP; and (3) migration of SIB's existing SAS IT infrastructure from SIB's old SUN server to a SAS hosting environment in North Carolina.

## **BENEFITS**

As part of ELP, the ALP application will provide a web-based interface to enable authorized users from DPSS and the Center for Community Health perform searches using specified criteria in order to obtain summarized views of all services and the cost to County Departments for providing GR recipients and indigent adults with such services. This interface will eliminate redundancies, link recipients with services in a more efficient manner and reduce the need for certain types of services, all leading to significant cost savings for the Departments providing services to County's GR population.

The expansion of ALP technology as part of ELP will allow real-time identification of GR recipients who are heavy users of other services (social services, law enforcement and medical and mental health services) provided through the County. This will make it possible for County case management staff to provide heavy service users with targeted services that eliminate redundancies, link GR recipients with services in a more efficient manner, and reduce the need for certain types of services, all of which will yield significant cost savings for the departments providing services to the County's GR population. The provision of these targeted services is also expected to boost the number of GR recipients gaining either employment or approval for Supplemental Security Income, thereby leading to additional cost avoidance across County departments.

CEO-SIB will evaluate this project by tracking cost avoidance as well as measuring expected decreases in redundant and unnecessary services by heavy users of program resources.

### **PROJECT DELIVERABLES**

(1) Implementation of the ALP Solution as the first data mart under ELP using SAS software to identify GR recipients who are heavy users of County services. Data feeds sent by County departments will be made anonymous but with match codes assigned to allow linking of GR cases and individuals across County agencies and services. Additionally, the contractor will develop an end-user interface for the system.

(2) Upgrading of SIB's existing SAS software for implementation of the ELP. Contractor shall install the SAS Enterprise Business Intelligence software, the SAS Social Network Analysis Solution and two DataFlux client licenses.

(3) Migration of SIB's existing SAS IT infrastructure from SIB's old SUN server to a SAS hosting environment in North Carolina. The hosting environment allows ten remote desktop users to access the SAS solutions and up to 100 named web-access query users. Contractor shall provide upgrades to the System Hardware and System Software migrated from the Existing Environment to the Hosting Environment, including any Existing Software, and provides any New Software. Contractor shall also install and configure all Client Software in the Client Environment consistent with the System Requirements and Specifications for the Client Environment, including the applicable System Hardware, System Hardware and System Network software required for the implementation of the ALP Solution under ELP.

## FUNDING REQUESTED

CEO is requesting ITF funding to implement the ALP Solution under ELP, to upgrade existing SAS software and to migrate SIB's SAS IT infrastructure from its existing SUN UNIX server to a hosted environment at SAS. The total cost for implementation of the ALP Solution is \$600,000. The \$600,000 requested funding will be used to fund the following project components: (1) contractor cost (SAS) for implementing the ALP expansion is \$497,280. This implementation cost includes \$68,000 for hosting and infrastructure support, \$74,000 for professional implementation services, \$407,955 to upgrade SIB's existing SAS software. The balance of the requested funds (\$50,045) will be utilized by CEO-SIB to assist in the development and implementation of the system.

	Cost	Description
Hosting and Infrastructure Support	\$68,000	Hosting
Implementation Services	\$74,000	Implementation
Subtotal	\$142,000	
<b>Software</b>		
SAS Enterprise Data Integration	\$77,644	License and upgrade from server Type I license to Server Type II
STAT	\$12,651	Upgrade to Server Type II
SAS Enterprise Business Intelligence	\$133,280	New software license
SAS Social Network Analysis Solution	\$184,380	New software license
Subtotal	\$407,955	
Total for Hosting, Implementation Services and Software	\$549,955	
CEO-SIB technical services	\$50,045	
<b>Total Funding Requested</b>	<b>\$600,000</b>	

## MAINTENANCE

The cost of maintaining ELP after implementation will be offset by annual DPSS funding and by CEO. This includes annual SAS software maintenance fees, application maintenance and system enhancements for the ALP Solution and SAS hosting services for ELP.



## CIO ANALYSIS

### APPROVAL FOR AN AGREEMENT WITH SAS INSTITUTE, INC. FOR THE ENTERPRISE LINKAGES PROJECT COMMENCING WITH THE ADULT LINKAGES PROJECT

CIO RECOMMENDATION:     APPROVE             APPROVE WITH MODIFICATION  
                                          DISAPPROVE

**Contract Type:**

New Contract                     Contract Amendment             Contract Extension  
 Sole Source Contract             Hardware Acquisition             Other

New/Revised Contract Term:    Base Term: 3 Yrs.                    # of Option Yrs. 2

**Contract Components:**

Software                             Hardware                             Telecommunications  
 Professional Services

Project Executive Sponsor:    Kathy House, Assistant Chief Executive Officer

**Budget Information :**

Y-T-D Contract Expenditures	\$0
Requested Contract Amount	\$2,200,000
Aggregate Contract Amount	\$2,200,000

**Project Background:**

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project subvented? If yes, what percentage is offset? Yes. The CIO's Information Technology Fund will provide the first year implementation costs and subsequent year maintenance costs will be approximately 72% offset using the Department of Public Social Services' allocable funds with the remaining NCC funded by the Department and Chief Executive Office's Service Integration Branch.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved?

**Strategic Alignment:**

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan? Yes. The Department's Enterprise Linkages Project supports County Strategic Plan Goal #1 (Operational Effectiveness) to provide the public with easy access to quality information and services that are both beneficial and responsive.

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan? Yes. The project is identified in the Department's FY 2009-10 and FY 2010-11 Business Automation Plan.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document? Yes. The Department's Enterprise Linkages Project (ELP) complies with IT Directions document by conducting government electronically to improve the delivery of services.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards? Yes. The Department's Enterprise Linkages Project utilizes SAS software which is used by several County departments.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

### Project/Contract Description:

The Chief Executive Office (CEO) is seeking your Board's authorization to execute an Agreement with SAS Institute Inc. (SAS) for implementation, maintenance, and support of an Enterprise Linkages Project (ELP) system to support identification of Department of Public Social Services' (DPSS) general Relief (GR) recipients who are heavy users of County services. The Agreement term is three (3) years with two (2) optional one-year extension periods for a maximum contract sum of \$2,200,000, if all the options are exercised. Under the Agreement, SAS will provide the following services:

- Implement and maintain the Enterprise Linkages Project (ELP) system, including SAS software, hosted by SAS;
- Upgrade and migrate the Chief Executive Office's Service Integration Branch's (SIB) existing SAS information technology (IT) infrastructure (hardware and software) to the SAS hosted system environment; and
- Expand ELP system to include linkages projects for other departments and public assistance programs in an effort to eliminate redundancies and reduce the need for certain types of services.

### Background:

The Adult Linkages Project (ALP) completed in 2009 established an analytical data warehouse utilizing SAS software and services, which integrated data sources on GR recipients from eight County departments. This integration of data supported an analysis of GR recipient utilization of County services and associated costs. The identification of these services use patterns which enables the County to develop more efficient and effective coordination service interventions for these clients.

On October 6, 2009, the Board directed SIB and DPSS to expand the ALP Pilot to provide the County with the capacity for real-time identification of individual GR recipients who are heavy users of other services provided by County departments.

### **Project Justification/Benefits:**

The current ALP system performs statistical analysis on client data that is manually acquired from participating departments each time an update to the GR service history is needed. The current ALP system does not support real-time analysis of service utilization history of program participants (e.g., homeless families). The current system's data warehouse is only accessible to SIB staff and not to departmental staff performing GR services. SIB's current ALP hardware and computing infrastructure is obsolete and must be upgraded for the new ELP system.

The replacement ELP system will update and migrate SIB's existing SAS software to new hardware and computing infrastructure within the SAS hosted system environment. It will also provide for additional SAS software to support this real-time linkage analysis and provides secure Web access to authorized departmental GR workers. This information will allow County staff to view what other services have been provided to individual GR receipts and develop more targeted and less redundant set of services.

SIB's current annual SAS software costs of \$136,422 are incorporated into this contract as well as eliminating SIB's local Sun server administration and required upgrade costs.

### **Project Metrics**

The Agreement clearly specifies the service levels and system performance metrics to be met by the contractor for the term of the Agreement. Credits are due to the County if the service levels and system performance metrics are not met.

### **Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved**

If not approved, the County would not receive the cost avoidance yielded by GR recipients gaining employment or being approved for Supplemental Security Income.

### **Alternatives Considered:**

No other alternatives were considered.

### **Project Risks:**

ELP has the normal risks for system implementation. DPSS and SIB have mitigated these risks by providing executive sponsorship, stable project staffing, clear roles and responsibilities, full-time project management, and defined deliverables. In addition, the Chief Information Security Officer (CISO) has reviewed the Agreement and did not identify any security risks or issues.

### **Risk Mitigation Measures:**

The ELP project utilizes the risk mitigation measures described above and will continue to monitor these and other risks as implementation progresses.

**Financial Analysis:**

The maximum contract sum for this Agreement is \$2,200,000 (see table below).

Description	Cost
Year 1 – Software, Implementation & Hosting	
Implementation & Hosting	\$142,000
SAS Software	\$495,086
Subtotal-Year 1	\$637,086
<b>Implementation, Hosting &amp; Software Maintenance</b>	
Year 2	\$343,605
Year 3	\$343,605
Optional Year 4	\$319,605
Optional Year 5	\$319,605
Optional Work (pool dollars)	\$196,351
<b>TOTAL</b>	<b>\$2,200,000</b>

A \$600,000 grant from the County's Information Technology Fund will defray the bulk of the first-year implementation cost. It will fund \$549,955 for the ELP's first year software acquisition, hosting and implementation costs and \$50,045 for SIB staff. The subsequent years of ELP implementation, hosting and maintenance costs will be approximately 72% offset using the DPSS' allocable funds with the remaining NCC funded by DPSS and CEO.

**CIO Concerns:**

None.

**CIO Recommendations:**

My Office supports this action and recommends approval by the Board.

**CIO APPROVAL**

Date Received: 11/1/2010  
 Prepared by: James Hall  
 Date: 11/10/2010  
 Approved: [Signature]  
 Date: 11/9/2010



**SOLE SOURCE REQUEST**

It is the policy of the County to solicit the maximum number of bids/proposals for a commodity or service from the largest relevant market and to select vendors on a competitive basis.

There are certain acquisitions which when in the best interest of the County can only be obtained from a sole source. Sole source acquisitions must be justified in sufficient detail to explain the basis for suspending the usual competitive procurement process.

**DOCUMENTATION FOR SOLE SOURCE JUSTIFICATION MUST INCLUDE REPONSES TO THE FOLLOWING QUESTIONS WHEN APPLICABLE:**

1. What is being requested?

The Service Integration Branch (SIB) of the Chief Executive Office (CEO) is requesting the following sole source services:

- a) Upgrading the SAS software currently licensed on the SUN UNIX server to include the following additional SAS software products:
    1. SAS Enterprise Business Intelligence Server License,
    2. Social Network Analysis Software License, and
    3. SAS DataFlux (DF) Quality (2) Licenses.
  - b) Technical services to implement the expansion of Adult Linkages Project in SAS and migration of SIB's existing SAS Information Technology Infrastructure from SIB's existing SUN server to a SAS hosted environment in North Carolina.
  - c) Hosting and infrastructure support to maintain the Adult Linkages Expansion Project.
2. Why is the product needed – how will it be used?

On October 6, 2009, the Board of Supervisors approved several recommendations for the restructuring of Los Angeles County's General Relief (GR) program. One of these recommendations directs Department of Public Social Services (DPSS) and CEO/SIB to expand SIB's Adult Linkages Project (ALP) so as to provide the County with the capacity for real-time identification of individual GR recipients who are heavy users of other services provided through various County departments.

The ALP project was completed by CEO/SIB in 2009, as a demonstration project, using SAS software technology and SAS consulting services with funding from the Chief Information Office's Information Technology Fund and the Productivity Commission's Productivity Investment Fund. ALP was developed for the purpose of conducting research that would reveal the multi-departmental patterns of service utilization within the County's

GR population, as well as the costs involved in delivering these services. ALP demonstrated the feasibility of integrating the case histories of GR recipients with the data bases of several County departments. The administrative records of persons who entered GR during the first half of 2006 were matched against the records of services received by GR participants between 2005 and 2007. The cohort of GR persons were matched against the data bases of Community and Senior Services, Department of Children and Family Services, Department of Health Services, Department of Mental Health, Probation Department, Department of Public Health, and Sheriff's Department. CEO/SIB developed a record linkage methodology using SAS software and the integrated records of these participants were loaded into a SAS data warehouse.

Application of the ALP technology has to date been limited to analytical purposes, providing the CEO and DPSS, as well as other County departments involved in the ongoing provision of services to GR recipients, with information on the GR population's complex service utilization patterns, along with the costs departments face in making these services available to recipients.

Furthermore, currently the utility of the ALP technology is limited and does not allow for a web-based deployment. Every time an analysis of recipient service utilization histories becomes necessary within a specific sub-set of the overall GR population, (such as GR participants with pending Supplemental Security Income (SSI applications), a new data collection and linkage process is required, which consumes significant time and resources. In addition, the ALP platform is not accessible to other departments through a web-enabled interface.

The existing ALP platform is static and not updated with periodic data feeds from department client and service data bases. Consequently, every time there is a need to assess the service utilization patterns of a group new data is prepared by all departments and matched against the target population. This process is labor intensive and needs to be automated.

The product is needed to implement recommendation No. 1 of the GR Restructuring Master Implementation Plan approved by the Board of Supervisors on October 6, 2009. The Adult Linkages Expansion Project will enable Departments to provide targeted services to the heavy users in an increasingly cost-effective manner.

The products will be used to identify the County service history of GR applicants/participants so that clients can be offered services that take into account the totality of their individual circumstances.

The expansion of ALP will make it possible for County case management staff to provide heavy service users with targeted services that eliminate redundancies, link recipients with services in a more efficient manner, and reduce the need for certain types of services, all of which will yield significant cost savings for the departments providing services to the County's GR population. The provision of these targeted services is also expected to boost the number of GR recipients gaining either employment or approval for SSI, thereby leading to additional cost avoidance across County departments.

The products will allow integration of the SAS Enterprise Business Intelligence Server and the Social Network Analysis Server software to the ALP data warehouse and will also be used to provide web enabled front-end access, the capacity to browse data, and a series of business intelligence capabilities, including information portals, dashboards, reporting interfaces, OLAP cubes and interactive graphical displays.

3. Is this "brand" of product the only one that meets the user's requirements? If yes, what is unique about the product?

Yes. The SAS Enterprise Business Intelligence Server, SAS DF Quality and the SAS Social Network Analysis software are the only products that meet the requirement for the expansion of the Adult Linkages Project. These are the only products that work with the SAS software used by SIB to develop and implement the original ALP. The original ALP system was developed using the SAS Enterprise Data Integration Solution and SAS DataFlux software. SAS implementation services were obtained from SAS for the original implementation of ALP under CEO Delegated Authority Agreement.

4. Have other products/vendors been considered? If yes, which products/vendors have been considered and how did they fail to meet the user's requirements?

Yes. Research was conducted to identify other potential software products that could be used for the original implementation of the Adult Linkages Project. There are no other vendors that provide solutions that would integrate their software with the existing core SAS technologies of data quality and integration. Moreover, there is no other vendor that provides social network analysis software which is required for the expansion of ALP.

A sole source agreement is necessary because SAS is currently the only vendor capable of providing software services necessary for the expansion of ALP.

5. Will purchase of this product avoid other costs, e.g. data conversion, etc. or will it incur additional costs, e.g. training, conversion, etc.?

Yes. The purchase/upgrade of the additional SAS software, implementation services and hosting and infrastructure support will lead to cost savings as follows:

- *Data conversion savings.* The original ALP system was implemented by SIB using SAS software technology. CEO invested \$450,000 in ITF funds to upgrade SAS licenses to include the SAS Enterprise Data Integration Solution Software and DataFlux software to implement the original ALP. There are extensive libraries of SAS source code at CEO/SIB, as well as look-up tables and analytical tools developed over time using SAS software. In addition, a SAS analytical warehouse was developed to store the ALP data as well as an extensive suite of data match software written in SAS DataFLux to link information on GR participants across County departments. Choosing different software would require an extremely costly replication of the existing production environment (data warehouse software, data integration software, analytical software, source codes, files and tables). Moreover, this change would slow current projects down and have a deleterious impact on productivity.



- *Training.* Over the years, CEO analysts have been trained in SAS and have become proficient in using SAS software for all projects. Choosing different software would require extensive training to accomplish all the tasks that can currently be done using SAS software. This would, in turn, be very costly and time consuming. To implement an expansion of ALP without the SAS software would cost millions of dollars for retraining of County analysts.
- *Licensing saving.* Since the County already licenses SAS software, the cost of upgrading this software will be significantly lower relative to purchasing different software for the first time.
- *Other savings.* SAS software offers unique and very powerful analytical tools to conduct program evaluation research which are not available from other vendors offering data integration software. Automating the linkage and matching of the GR LEADER tables against the data bases of departments providing services to GR participants is expected to result in savings approximately \$50,000 per year. In addition, migrating from the old SUN UNIX server to a SAS hosted environment will result in annual maintenance support savings of approximately \$30,000.

CEO also estimates that over a single year, the expansion of ALP should yield \$4.5 million in cost avoidance to the County. **CEO/SIB estimates that just over \$3.6 million of these savings would be Net County Cost.**

6. Is the product proprietary or is it available from various vendors?

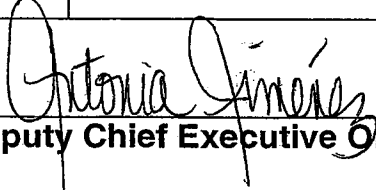
Yes. SAS Enterprise Business Intelligence Server, Social Network Analysis software and SAS Data Flux are proprietary software products available only from the SAS Institute. The SAS Institute does not work with any resellers of its products.

7. Reasonableness of price. Does the County obtain a percentage discount or special discount not available to the private sector?

Since this initiative is what SAS refers to as a "Fully Integrated Solution" – a bundling of software based on industry best practices that has the greatest chance for success and risk reduction – SAS has offered the County reduced pricing.

8. If this purchase is an upgrade of existing equipment, what is the dollar value of existing equipment and the Purchase Order No. for the existing equipment?

This purchase is an upgrade of the SAS Data Integration Server and SAS DataFlux software. These software products were purchased by CEO/SIB in 2007 at cost of \$120,415 (Purchase Order No. xxxxx) and \$54,373.98 (Purchase Order No. T42210) respectively

Check (✓)	<p align="center"><b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS</b></p> <p><i>Identify applicable justification and provide documentation for each checked item.</i></p>
✓	<p>➤ <b>Only one bona fide source for the service exists; performance and price competition are not available.</b></p> <p>There is no other vendor providing a solution that would integrate CEO/SIB's existing SAS platform with the core data quality and data integration technologies required to expand the ALP. CEO/SIB possesses extensive libraries of SAS source code, as well as look-up tables and analytical tools developed over time using SAS software. In addition, a SAS analytical warehouse was developed to store the initial ALP data and an extensive suite of data match software written in SAS Dataflux. Choosing a different software package would require a prohibitively expensive replication of the existing production environment. The introduction of a different vendor for the ALP expansion project would also require extensive training to accomplish all the tasks that can currently be done using SAS software and would be unnecessarily costly and time consuming. CEO/SIB estimates that the cost to implement the expanded ALP using a vendor other than SAS would run into millions of extra dollars and would disrupt projects and negatively affect productivity.</p>
	<p>➤ <b>Quick action is required (emergency situation).</b></p>
	<p>➤ <b>Proposals have been solicited but no satisfactory proposals were received.</b></p>
✓	<p>➤ <b>Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.</b></p>
	<p>➤ <b>Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.</b></p>
✓	<p>➤ <b>It is more cost-effective to obtain services by exercising an option under an existing contract.</b></p> <p>Contracting with SAS for the expansion of the ALP will allow the County to use software that has been licensed from and is maintained by SAS under an existing purchase order agreement.</p>
	<p>➤ <b>It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider,</b></p>
	<p>➤ <b>Other reason. Please explain:</b></p>
<p>  <b>Deputy Chief Executive Officer, CEO</b></p>	<p><u>10/29/10</u>  <b>Date</b></p>

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**Each County department head is also required to report to the Chief Executive Officer by June 30 of each year those sole source contracts under \$250,000 executed by/for their department for the fiscal year ending on June 30. The Chief Executive Officer will compile the list and submit it to the Board of Supervisors.**

**RESPONSIBLE DEPARTMENT**

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Chief Executive Office  
Internal Services Department