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BOARD OF SUPERVISORS

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March 11, 2014

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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

18 March 11, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO EXECUTE A NEW CONTRACT WITH CODAI, INC.
FOR CHILDREN’S HEALTH OUTREACH INITIATIVES SYSTEM SERVICES
EFFECTIVE UPON DATE OF BOARD APPROVAL THROUGH MARCH 10, 2017
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

Request approval to execute a contract with Codai, Inc. for the provision of Children’s Health Outreach Initiatives System Services, including technical assistance, data system maintenance and application development services for the Children’s Health Outreach Initiatives internet-based data collection system.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Director of the Department of Public Health (DPH), or his designee, to execute a contract (Contract), substantially similar to Exhibit I, with Codai, Inc. (Codai) for the provision of Children’s Health Outreach Initiatives (CHOI) System Services, including technical assistance, data system maintenance and application development services to support DPH’s CHOI Internet-based tracking data collection system (CHOI System), upon date of Board approval through March 10, 2017, at a total County maximum obligation of \$320,000 (\$200,000 for Contract Year 2014-15, \$60,000 for Contract Year 2015-16, and \$60,000 for Contract Year 2016-17); 100 percent offset by Families First Proposition 10 Commission (First 5 LA) funding and Medi-Cal Administrative Activities (MAA) reimbursements.

2. Delegate authority to the Director of DPH, or his designee, to amend Contract to (a) roll over unspent Contract funds from each Contract Year to the following; and/or (b) increase the maximum Contract Sum for the term of the Contract by a maximum of \$20,000 in pool dollars for the provision of optional services and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel and the Chief Information Officer (CIO), as applicable, and notification to your Board, and Chief Executive Office.

3. Delegate authority to the Director of DPH, or his designee, to execute change notices to the Contract that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's annual base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the Contract's term and conditions.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of Recommendation 1 will allow DPH to execute a Contract with Codai for the completion of system implementation as well as continued provision of technical assistance including post implementation support, data systems management, application development services and report generation for DPH's CHOI System, which is utilized to track and support Children's Health Outreach, Enrollment, Utilization and Retention (CHOEUR) services. The CHOI System allows DPH to run reports on various demographic and programmatic data, provide data to improve monitoring of health insurance enrollment outreach and retention efforts by contracted service providers and to provide data to the CHOEUR services funder, First 5 LA.

There are currently 19 CHOEUR contracted agencies that are mandated to use the system to report client health insurance information. This system provides the contracted agencies the ability to track clients, contact families to verify health insurance enrollment, assist with enrollment problems, and offer assistance with benefit renewals at specified time intervals to maintain uninterrupted health coverage for children and their families throughout Los Angeles County. Other County departments and First 5 LA also use the data generated by the CHOI System to evaluate and track Countywide outreach and enrollment efforts.

Codai will provide technical assistance and data systems management services to ensure that the CHOI System continues to operate without interruption. Codai will also provide application development services, including the release of CHOI software updates, modifications, and enhancements to the CHOI System.

The CHOI System was implemented by DPH's Maternal Child and Adolescent Health Program in 2003. After eight years, the CHOI System was re-written after it became apparent that it could no longer handle the immense amount of data and the influx of users running reports simultaneously. In 2013, Codai was selected through a bidding process conducted by the Internal Services Department utilizing the Information Technology Support Services Master Agreement (ITSSMA) for the design, development, documentation, implementation, and post implementation support of the CHOI System, including the services that fall within the scope of this Contract. Since, under the ITSSMA provisions, the ITSSMA Work Order with Codai could not be extended beyond February 28, 2014, a new Contract with Codai is needed to complete the work anticipated under ITSSMA.

Codai has resolved a number of technical issues and updated CHOI System screens to address

user requirements. The CHOI System interface has been modernized and data entry screens have been simplified to enhance the user experience. Under the recommended Contract, Codai will assist DPH with the release of the latest version of the CHOI System software and complete CHOI System implementation. In addition to ongoing maintenance of the CHOI System, Codai will also develop a number of new data reports and features. The new reporting enhancements will allow DPH to track new programs related to the County's outreach and enrollment efforts under the Affordable Care Act including Covered California and the County's Low Income Health Program.

Approval of Recommendation 2 will allow DPH to execute amendments to the Contract to allow for the rollover of unspent funds from each Contract Year to the following and to increase the maximum total Contract obligation for the term of the Contract by up to \$20,000 to enable Codai to provide optional services related to the CHOI System without materially affecting the scope of work or any other term or condition included under the Contract.

Approval of Recommendation 3 will allow DPH to execute change notices to the Contract that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's annual base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the Contract's terms and conditions.

Implementation of Strategic Plan Goals

The recommended actions support Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total program cost for the recommended Contract is \$320,000 (\$200,000 for Contract Year 2014-15, \$60,000 for Contract Year 2015-16, and \$60,000 for Contract Year 2016-17); 100 percent offset by First 5 LA funding and MAA reimbursements.

There is no net County cost associated with this action.

Funding for this Contract is included in DPH's Final Adopted Budget for fiscal year (FY) 2013-14 and will be included in future FY's, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 11, 2002, First 5 LA approved a \$100 million allocation over five years for the development and implementation of the Healthy Kids Initiative for the State of California, from which Los Angeles County's Children's Health Outreach Partnership is derived. The program was developed to provide health coverage to children from birth to age five, with family incomes that do not exceed 300 percent of the Federal Poverty Level (FPL), and who are not eligible for Medi-Cal or Healthy Families. On May 13, 2003, your Board approved an agreement with First 5 LA that continued the administration of the health coverage outreach, enrollment, utilization, and retention component of the Healthy Kids Initiative.

On January 12, 2012, First 5 LA approved the extension of the Healthy Kids Outreach Program through June 30, 2015, and designated DPH as the lead agency to administer the project. First 5 LA awarded funds to DPH for the purpose of increasing the number of children enrolled in Healthy Kids, Medi-Cal, Healthy Families, and other no/low-cost health coverage programs. DPH in turn, will

continue to allocate the direct services portion of this funding to community agencies to provide CHOEUR services for uninsured children and families.

On November 29, 2012, First 5 LA Commission voted to extend eligibility for the Healthy Kids insurance program to eligible children ages 0-5 whose household income does not exceed 400 percent of the FPL (previously program eligibility was up to 300 percent FPL). First 5 LA, DPH, and children's health stakeholders understand that this extension will enable more moderate-income uninsured children to obtain coverage and help act as a bridge to health insurance for these families starting in 2014 through Covered California, the State Health Benefit Exchange and expanded Medi-Cal Program.

On June 4, 2013, your Board approved the execution of 19 new contracts for the provision of CHOEUR services in Los Angeles County. The CHOI System allows contracted agencies to enter outreach and enrollment data and manage/monitor all aspects of their outreach, application assistance, utilization, troubleshooting, and re-determination efforts. The system captures all information entered by agency users and allows contracted agencies to assess client needs and measure agency progress towards meeting DPH required numerical targets and goals established in each agency's scope of work. The CHOI System reports are also used by DPH staff to audit and monitor goals and deliverables for the Contract. It is the intention of DPH to keep the CHOI System operational beyond this recommended Contract term ending in 2017 in order to continue enrolling entities and track enrollment trends. Upon expiration of the Contract, it is expected that DPH Information Systems will assume responsibility for the management of the CHOI System and provide technical support and data systems management services. No contract extensions or solicitations related to this Contract are anticipated at this time.

The Contract contains all of the current County-required provisions, as well as certain applicable information technology provisions to protect the County, such as intellectual property indemnification, assessment of credits for late delivery, failure to correct deficiencies timely, and termination for default.

County Counsel has approved Exhibit I as to form. CIO recommends approval of this requested action, CIO Analysis attached (Attachment 1).

CONTRACTING PROCESS

On January 8, 2013, Codai entered into a competitively bid Work Order for the provision of technical assistance, data system maintenance, and application development services under ITSSMA. The ITSSMA Work Order with Codai reached the customary time and funding limits for such Work Orders and expired on February 28, 2014. This Contract will provide for the continuation and completion of work anticipated under the scope of the ITSSMA request for bids from consultants for the design, development, documentation, implementation, and post implementation support of the CHOI System.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow DPH to contract with Codai for the continued provision of the technical assistance, data system maintenance, and application development services.

Respectfully submitted,



JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer



RICHARD SANCHEZ
Chief Information Officer

JEF:SB:ld
BL#02848

Enclosures

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



**CONTRACT
BY AND BETWEEN
THE COUNTY OF LOS ANGELES
AND
CODAI, INC.
FOR
CHOI SYSTEM SERVICES**

MARCH 2014

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EXHIBIT J	Defaulted Property Tax Reduction Program Ordinance
EXHIBIT K	Business Associate Agreement

CONTRACT
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
CODAI, INC.
FOR
CHOI SYSTEM SERVICES

This Contract, including all Exhibits and Attachments, is made and entered into this ____ day of March, 2014 by and between the County of Los Angeles (hereinafter “County”) on behalf of its Department of Public Health (hereinafter “DPH” or “Department”) and Codai, Inc., a [State of Incorporation] corporation (hereinafter “Contractor”), located at 2090 Holly Street, Denver, Colorado 80207.

RECITALS

WHEREAS, County may contract with private businesses for consulting services (hereinafter “Services”) relating to the Children's Health Outreach Initiatives (hereinafter “CHOI”) data collection system (hereinafter “System”) when certain requirements are met; and

WHEREAS, Contractor possesses the necessary skills, qualifications, competence and expertise and, therefore, is qualified to perform such Services; and

WHEREAS, County does not have the requisite technical staff with the specific skills and expertise necessary to perform the Services; and

WHEREAS, County is authorized by the California Government Code, Section 31000 to contract for special services, including the Services described herein; and

WHEREAS, based upon a competitive selection process, the Department has recommended to County’s Board of Supervisors the selected Contractor that is prepared and desires to provide to County the Services as described herein.

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

1. INTERPRETATION

1.1 APPLICABLE DOCUMENTS

The body of this document (hereinafter “Base Contract”), including without limitation the Recitals hereto along with Exhibits A, B, C, D, E, F, G, H, I, J and K and all Schedules thereto, all attached hereto and incorporated herein by reference, collectively form and throughout and hereinafter are referred to as the “Contract”. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between this base Contract and the Exhibits and Schedules thereto, or between Exhibits and Schedules, such conflict or

inconsistency shall be resolved by giving precedence first to this Base Contract and then to the Exhibits and Schedules according to the following descending priority.

- EXHIBIT A – Statement of Work
 - Attachment A.1 – Acceptance Certificate Template
- EXHIBIT B – Pricing Schedule
 - Schedule B.1 – Schedule of Services
- EXHIBIT C – Project Schedule
- EXHIBIT D – Contractor’s EEO Certification
- EXHIBIT E – County’s Administration
- EXHIBIT F – Contractor’s Administration
- EXHIBIT G – Acknowledgment, Confidentiality and Assignment Agreement
- EXHIBIT H – Jury Service Ordinance
- EXHIBIT I – Safely Surrendered Baby Law
- EXHIBIT J – Defaulted Property Tax Reduction Program Ordinance
- EXHIBIT K – Business Associate Agreement

1.2 ENTIRE CONTRACT

This Contract, including all Exhibits and Schedules thereto, constitutes the complete and exclusive statement of understanding between the parties and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of the Contract. No change to this Contract shall be valid unless prepared pursuant to Paragraph 8 (Change Notices and Amendments) and signed by both parties.

2. DEFINITIONS

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

2.1 ACCEPTANCE CERTIFICATE

As used herein, the term “Acceptance Certificate” shall mean a County signed and approved certificate for acceptance of Services or other work provided by Contractor under this Contract based on the template set forth in Attachment A.1 (Acceptance Certificate Template), as further specified in Section 2.3 (Work Delivery) of Exhibit A (Statement of Work).

2.2 BASE CONTRACT

As used herein, the term “Base Contract” shall have the meaning specified in the Recitals above.

2.3 BUSINESS DAY

As used herein, the term “Business Day” shall mean Monday through Friday, excluding County observed holidays.

2.4 BOARD OF SUPERVISORS; BOARD

As used herein, the terms “Board of Supervisors” and “Board” shall mean County’s Board of Supervisors.

2.5 CHANGE ORDER

As used herein, the term “Change Order” shall mean any work order for Services to be provided under this Contract, including Enhancements and Optional Services, under an executed Change Notice.

2.6 CHOI

As used herein, the term “CHOI” shall mean the Children’s Health Outreach Initiatives maintained by County for the purpose of tracking health insurance information of children and their families throughout Los Angeles County.

2.7 CHOI SYSTEM

As used herein, the term “CHOI System” shall have the same meaning as “System”.

2.8 CHOI SYSTEM SERVICES

As used herein, the term “CHOI System Services” shall have the same meaning as “Services”.

2.9 CONFIDENTIALITY AGREEMENT

As used herein, the term “Confidentiality Agreement” shall mean and refer to the terms and conditions of Exhibit G (Acknowledgment, Confidentiality and Assignment Agreement).

2.10 CONTRACT

As used herein, the term “Contract” shall mean the agreement executed between County and Contractor consisting of the terms and conditions for the provision of the tasks, subtasks, deliverables, goods, services and other work set forth herein, including Exhibit A (Statement of Work), as further defined in Paragraph 1.1 (Applicable Documents).

2.11 CONTRACT SUM

As used herein, the term “Contract Sum” shall have the meaning specified in Paragraph 5.1 under Paragraph 5 (Contract Sum).

2.12 CONTRACTOR

As used herein, the term “Contractor” shall mean the sole proprietor, partnership or corporation that has entered into a Contract with County to perform the Services hereunder.

2.13 CONTRACTOR’S ADMINISTRATION

As used herein, the term “Contractor’s Administration” shall have the meaning specified in Paragraph 7.1 (Contractor’s Administration).

2.14 CONTRACTOR’S PROJECT MANAGER

As used herein, the term “Contractor’s Project Manager” shall have the meaning specified in Paragraph 7.2 (Contractor’s Project Manager).

2.15 COUNTY

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

2.16 COUNTY MATERIALS

As used herein, the term “County Materials” shall have the meaning specified in Paragraph 60 (Proprietary Rights).

2.17 COUNTY’S ADMINISTRATION

As used herein, the term “County’s Administration” shall have the meaning specified in Paragraph 6.1 (County’s Administration).

2.18 COUNTY’S PROJECT DIRECTOR

As used herein, the term “County’s Project Director” shall have the meaning specified in Paragraph 6.2 (County’s Project Director).

2.19 COUNTY’S PROJECT MANAGER

As used herein, the term “County’s Project Manager” shall have the meaning specified in Paragraph 6.3 (County’s Project Manager).

2.20 DAY(S)

As used herein, the term “day(s)”, whether singular or plural, shall mean calendar day(s), unless otherwise specified.

2.21 DELIVERABLES(S)

As used herein, the term “Deliverable(s)” and “deliverable(s)”, whether singular or plural, shall mean the Services to be performed by Contractor under this Contract, including those set forth in Exhibit A (Statement of Work) and any applicable Change Order.

2.22 DEPARTMENT; DPH

As used herein, the terms “Department” and “DPH” shall mean County’s Department of Public Health.

2.23 DIRECTOR

As used herein, the term “Director” shall mean the Director of DPH.

2.24 EFFECTIVE DATE

As used herein, the term “Effective Date” shall mean the date of execution of this Contract by County and Contractor.

2.25 ENHANCEMENTS

As used herein, the term “Enhancements” shall have the meaning specified in Task 8 (Enhancements) of Exhibit A (Statement of Work).

2.26 FISCAL YEAR

As used herein, the term “Fiscal Year” shall mean the twelve (12) month period beginning July 1st and ending the following June 30th.

2.27 FIXED HOURLY RATE

As used herein, the term “Fixed Hourly Rate” shall have the meaning specified in Section 6 (Fixed Hourly Rate) of Exhibit A (Statement of Work).

2.28 FIXED PRICE AMOUNT

As used herein, the term “Fixed Price Amount” shall mean any not-to-exceed amount specified in Exhibit B (Pricing Schedule) for the provision of Required Services by Contractor to County under the Contract in accordance with Exhibit A (Statement of Work).

2.29 MAXIMUM FIXED PRICE

As used herein, the term “Maximum Fixed Price” shall mean a not-to-exceed amount to be paid by County to Contractor for Enhancements and Optional Services provided by Contractor pursuant to an agreed upon Change Order following County’s request therefor.

2.30 OPTIONAL SERVICES

As used herein, the term “Optional Services” shall mean Services that may be provided by Contractor to County upon County’s request therefor and the parties’ agreement on a Change Order, including a Maximum Fixed Price.

2.31 POOL DOLLARS

As used herein, the term “Pool Dollars” shall mean the amount allocated under the Contract for the provision by Contractor of Optional Services as provided herein, all requested and approved by County in accordance with the terms of this Contract.

2.32 PRICING SCHEDULE

As used herein, the term “Pricing Schedule” shall mean the pricing terms relating to this Contract as specified in Exhibit B (Pricing Schedule).

2.33 PROJECT CONTROL DOCUMENT; PCD

As used herein, the terms “Project Control Document” and “PCD” shall mean a document that may be developed by Contractor for the purpose of providing the Services under the Statement of Work.

2.34 REQUIRED SERVICES

As used herein, the term “Required Services” shall mean the Services that are required to be provided by Contractor during the term of this Contract pursuant to Exhibit A (Statement of Work).

2.35 PROJECT SCHEDULE

As used herein, the term “Project Schedule” shall mean and refer to the project timeline set forth in Exhibit C (Project Schedule).

2.36 SERVICES

As used herein, the term “Services” shall mean the services relating to the CHOI System to be provided by Contractor during the term of, and pursuant to, this Contract, as described in Exhibit A (Statement of Work), including Required Services and Optional Services.

2.37 STATE

As used herein, the term “State” shall mean the State of California, USA.

2.38 STATEMENT OF WORK; SCOPE OF WORK

As used herein, the terms “Statement of Work” and “Scope of Work” shall mean the tasks, subtasks, deliverables, goods, services and other work set forth in Exhibit A (Statement of Work)..

2.39 SYSTEM

As used herein, the term “System” shall mean the CHOI data collection system provided and maintained by Contractor under the Contract.

2.40 SYSTEM TEST

As used herein, the term “System Test” shall mean the testing of the System conducted by Contractor with County’s assistance pursuant to Task 2.1 (Conduct System Test) of Exhibit A (Statement of Work).

2.41 TASK(S)

As used herein, the terms “Task(s)” and “task(s)”, whether singular or plural, shall mean any of the areas of Services to be performed by Contractor under this Contract, including those set forth in Exhibit A (Statement of Work) and any applicable Change Order.

2.42 WARRANTY PERIOD

As used herein, the term “Warranty Period” shall have the meaning specified in Subtask 2.2 (Maintain Non-Deficient System Production).

3. WORK

3.1 Pursuant to the provisions of this Contract, upon County’s notice to proceed, Contractor shall fully perform, complete and deliver on time and in accordance with the terms of the Contract, all tasks, subtasks, deliverables, goods, services and other work as set forth herein, including Exhibit A (Statement of Work) and any applicable Change Order.

3.2 If Contractor provides any tasks, subtasks, deliverables, goods, services or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of Contractor, and Contractor shall have no claim whatsoever against County.

3.3 Upon completion by Contractor and approval by County of the Services requested by County and set forth in Exhibit A (Statement of Work), County will update the log of Services in Schedule B.1 (Schedule of Services) accordingly.

4. TERM OF CONTRACT

4.1 TERM

The term of this Contract shall commence upon the Effective Date and shall continue for three (3) years thereafter, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 EXPIRATION NOTIFICATION

Contractor shall notify County when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send

written notification to County's Project Director, with a copy to County's Project Manager, at the address set forth in Exhibit E (County's Administration).

4.3 CONTRACT MONITORING

County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a Contract term extension option.

5. CONTRACT SUM

5.1 The Contract Sum under this Contract shall be the maximum total monetary amount payable by County to Contractor for supplying all tasks, subtasks, deliverables, goods, services and other work provided by Contractor during the term of the Contract, including all Required Services and any Optional Services. The Contract Sum for all Services to be provided by Contractor to County under the Contract shall not exceed Three Hundred Fifty Dollars (\$320,000) and may be increased by Twenty Thousand Dollars (\$20,000) in Pool Dollars for Optional Services pursuant to Amendment(s) as specified in Paragraph 8.3 above. There is no guarantee that the entire Contract Sum amount shall be paid to Contractor under the Contract.

5.2 Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein.

5.3 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. Upon occurrence of this event, Contractor shall send written notification to County's Project Director, with a copy to County's Project Manager, at the address set forth in Exhibit E (County's Administration).

5.4 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF CONTRACT

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract. 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 Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

5.5 INVOICES AND PAYMENTS

5.5.1 Contractor shall invoice County only for providing the tasks, subtasks, deliverables, goods, services and other work specified in Exhibit A (Statement of Work) and elsewhere hereunder, including any applicable Change Order. Contractor shall prepare invoices, which shall include the charges owed to Contractor by County under the terms of this Contract. Contractor's payments shall be as provided in Exhibit B (Pricing Schedule). Contractor shall be paid in arrears only for the tasks, subtasks, deliverables, goods, services and other work approved and accepted in writing by County. If County does not approve and accept any work in writing, no payment shall be due to Contractor for that work.

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- 5.5.2 Contractor's invoices shall be priced in accordance with Exhibit B (Pricing Schedule) and shall contain the information set forth in Exhibit A (Statement of Work) or any applicable Change Order describing the tasks, subtasks, deliverables, goods, services, and/or other work for which payment is claimed. Contractor's amounts for Services shall not increase beyond those specified in Exhibit B (Pricing Schedule), any applicable Maximum Fixed Price or as otherwise estimated by Contractor and agreed to by County.
- 5.5.3 Contractor shall submit all invoices to County's Project Director, with a copy to County's Project Manager, within thirty (30) calendar days following County's approval and acceptance of the Services invoiced at the addresses set forth in Exhibit E (County's Administration). The invoices shall be in a form approved by County's Project Director and shall meet the following requirements:
- (a) Invoices must contain the Contract Number.
 - (b) Invoices must include the number(s) and description of the Deliverable(s) and/or Change Order being invoiced.
 - (c) Invoices must be submitted to County's Project Director, with a copy to County's Project Manager.
 - (d) Any other information reasonably requested by County.
- 5.5.4 County will pay an invoice for Services provided by Contractor under this Contract in arrears following Contractor's completion and County's acceptance of a Deliverable invoiced or on a monthly basis, as applicable, thirty (30) days following receipt by all necessary County of such invoice, provided that Contractor is not in default under any provision of the Contract and has submitted a complete and accurate statement of payment due, along with all supporting documentation.
- Payment may be subject to deduction for failure to meet performance standards as defined in the Contract, the Statement of Work and/or any applicable Change Order.
- 5.5.5 County may delay the last payment due until one (1) month after the termination of the Contract. Contractor shall be liable for payment on thirty (30) days written notice of any offset authorized by the Contract not deducted from any payment made by County to Contractor.

5.5.6 COUNTY APPROVAL OF INVOICES

All invoices submitted by Contractor for payment must have the written approval of County's Project Manager prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

5.6 FUNDING/SERVICES ADJUSTMENTS AND REALLOCATIONS

- 5.6.1 Upon Director's specific written approval, as authorized by County's Board of Supervisors, County may: (1) increase or decrease funding up to 10 percent (10%) above or below each term's annual base maximum obligation; (2) reallocate funds between budgets within this Contract where such funds can be more effectively used by Contractor up to 10 percent (10%) of the term's annual base maximum obligation; and (3) make modifications to or within budget categories within each budget, as may be reflected in Exhibit B (Pricing Schedule), up to an

adjustment between all budget categories equal to ten percent (10%) of each term's annual base maximum obligation, and make corresponding service adjustments, as necessary. Such adjustments may be made based on the following: (a) if additional monies are available from federal, State, or County funding sources; (b) if a reduction of monies occurs from federal, State, or County funding sources; and/or (c) if County determines from reviewing Contractor's records of service delivery and billings to County that an underutilization of funds provided under this Contract will occur over its term.

5.6.2 All funding adjustments and reallocation as allowed under this Paragraph may be effective upon Amendment execution or at the beginning of the applicable Contract term, to the extent allowed by the funding source and as authorized by the County's Board of Supervisors. Adjustments and reallocations of funds in excess of the aforementioned amount shall require separate approval by County's Board of Supervisors. Any change to the County maximum obligation or reallocation of funds between budgets in this Contract shall be effectuated by an administrative amendment to this Contract pursuant to Paragraph 8 (Change Notices and Amendments) of the Base Contract. Any modification to or within budget categories within each budget, as reflected in Exhibit C, shall be effectuated by a Change Notice that shall be incorporated into and become part of this Contract pursuant to Paragraph 8 (Change Notices and Amendments) of the Base Contract.

6. ADMINISTRATION OF CONTRACT – COUNTY

6.1 COUNTY'S ADMINISTRATION

A listing of all County personnel responsible for the administration of this Contract on behalf of County (hereinafter "County's Administration"), as referenced in this Paragraph 6 below, is set forth in Exhibit E (County's Administration). No member of County's Administration is authorized to make any changes in any of the terms and conditions of this Contract unless specifically authorized under Paragraph 8 (Change Notices and Amendments). Unless otherwise specified, reference to each of the persons identified in Exhibit E (County's Administration) shall also include his/her designee. County shall notify Contractor in writing of any change in the names or addresses shown.

6.2 COUNTY'S PROJECT DIRECTOR

County's Project Director will be responsible for ensuring that the objectives of this Contract are met. County's Project Director will have the right at all times to inspect any and all tasks, subtasks, deliverables, goods and other Services provided by or on behalf of Contractor. All work performed under this Contract shall be subject to the approval of County's Project Director or designee.

6.3 COUNTY'S PROJECT MANAGER

County's Project Manager will be responsible for ensuring that the technical, business and operation standards and requirements of this Contract are met and overseeing the day-to-day administration of this Contractor. County's Project Manager shall have full authority to supervise Contractor's performance in the daily operation of this Contract and shall also provide direction to Contractor in areas relating to policy, procedures and other matters within the purview of this Contract. County's Project Manager will on a regular basis interface with Contractor's Project Manager. County's Project Manager will report to County's Project Director regarding Contractor's performance with respect to the technical, business and operational standards and requirements of this Contract.

7. ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 CONTRACTOR'S ADMINISTRATION

A listing of all Contractor personnel responsible for the administration of this Contract on behalf of Contractor (hereinafter "Contractor's Administration"), as referenced in this Paragraph 7 below, is set forth in Exhibit F (Contractor's Administration). No member of Contractor's Administration is authorized to make any changes in any of the terms and conditions of this Contract unless specifically authorized under Paragraph 8 (Change Notices and Amendments). Contractor shall notify County in writing of any change in the names or addresses shown. All staff employed by and/or on behalf of Contractor shall be adults who are fully fluent in both spoken and written English.

7.2 CONTRACTOR'S PROJECT MANAGER

Contractor's Project Manager shall be a full-time employee of Contractor who shall be responsible for Contractor's performance of all Services under the Contract and ensuring Contractor's compliance with this Contract. Contractor's Project Manager shall interface with County's Project Manager and County's Project Director on a regular basis and shall be available during business hours acceptable to County for telephone contact and/or meetings as required by County and shall report to County in the manner set forth in this Contract, including Exhibit A (Statement of Work).

7.3 APPROVAL OF CONTRACTOR'S STAFF

Contractor shall provide qualified personnel to provide Services and other work under the Contract. County has the absolute right to approve or disapprove any member of Contractor's Administration or any consultants providing Services under the Contract and any proposed changes in Contractor's Administration staff or consultants, including but not limited to Contractor's Project Manager.

Contractor shall remove and replace any employee working on this Contract when requested to do so by County. Request will be submitted to Contractor by County in writing stating the reasons for the removal, provided that such reasons are based on reported instances of malfeasance, impropriety or violation of Contractor or County rules by the employee.

7.4 BACKGROUND AND SECURITY INVESTIGATIONS

- 7.4.1 At any time prior to or during term of this Contract, County may require that all Contractor's staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. All fees associated with obtaining the background information shall be at the expense of Contractor, regardless of whether Contractor's staff passes or fails the background clearance investigation.
- 7.4.2 County may request that Contractor's staff be immediately removed from working on the County Contract at any time during the term of this Contract. County will not provide to Contractor nor to Contractor's staff any information obtained through County conducted background clearance.
- 7.4.3 County may immediately, at its sole discretion, deny or terminate facility access to any of Contractor's staff that does not pass such investigation(s) to the satisfaction of County whose background or conduct is incompatible with County facility access.

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

7.5 CONTRACTOR'S STAFF IDENTIFICATION

Contractor shall, at its sole expense, furnish and require every on-duty employee providing services under this Contract at a County facility to wear a visible photo identification badge identifying employee by name, physical description and company. Such badge shall display on employee's person at all times he/she is on County designated property.

8. CHANGE NOTICES AND AMENDMENTS

- 8.1** No representative of either County or Contractor, including those named in this Contract, is authorized to make any changes in any of the terms, obligations or conditions of this Contract, except through the procedures set forth in this Paragraph 8. County reserves the right to change any portion of the work required under this Contract or to amend such other terms and conditions, which may become necessary. Any such revisions shall be accomplished only as provided in this Paragraph 8.
- 8.2** For any change which does not materially affect the scope of work, pricing or any other term or condition included under this Contract, a Change Notice may be prepared in writing and signed by County's Project Director, or designee, and Contractor's Project Manager. Consistent with the foregoing, County's Project Director is specifically authorized to execute Change Notices for Change Orders for the acquisition of any Optional Services using Pool Dollars, to the extent available, and any Enhancements and to update Schedule B.1 (Schedule of Services) accordingly.
- 8.3** Except as otherwise provided in this Contract, for any change which materially affects the scope of work, pricing or any term or condition included in this Contract, a negotiated Amendment to this Contract shall be required to be executed in writing by County's Board of Supervisors and Contractor's authorized representative(s). Notwithstanding the foregoing, the Director or designee is specifically authorized to execute Amendment(s) on behalf of County to add a total maximum of Twenty Thousand Dollars (\$20,000) in Pool Dollars over the term of the Contract and increase the Contract Sum accordingly, subject to approval by the County Counsel and County's Chief Information Officer or their designees.
- 8.4** County's Board of Supervisors, Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. County reserves the right to add and/or change such provisions as required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by Contractor's authorized representative(s) and the Director or designee.
- 8.5** Notwithstanding any other provisions of this Paragraph 8, assumption or takeover of any of Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with County's express prior written consent witnessed by a written Amendment to the Contract, which is formally approved and executed by the parties.

9. ASSIGNMENT AND DELEGATION

- 9.1** Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 9.1, County consent shall require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.
- 9.2** Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in the form of an Amendment in accordance with applicable provisions of this Contract, including the need for an Amendment.
- 9.3** Any assumption, 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 any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract by County. 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.
- 9.4** For any change affecting Contractor's Administration or Contractor's project personnel, Contractor shall submit to County Project Director, with a copy to County's Project Manager, written notification and request to effect the requested change. County's Project Director or designee may accept or reject such notification and request.

10. AUTHORIZATION WARRANTY

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

11. BUDGET REDUCTIONS

In the event that County's Board of Supervisors adopts, in any Fiscal Year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Contract correspondingly for that Fiscal Year and any subsequent Fiscal Year during the term of this Contract (including any extensions), and the Services and other work to be provided by Contractor under this Contract shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such

actions. Except as set forth in the preceding sentence, Contractor shall continue to provide all of the Services and other work set forth in this Contract.

12. COMPLIANCE WITH APPLICABLE LAW

12.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

12.2 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, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 12 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

13. COMPLIANCE WITH CIVIL RIGHTS LAWS

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

14. COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

14.1 JURY SERVICE PROGRAM

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

14.2 WRITTEN EMPLOYEE JURY SERVICE POLICY

14.2.1 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 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.

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- 14.2.2 For purposes of this Paragraph 14, “Contractor” means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. “Employee” means any California resident who is a full-time employee of Contractor. “Full-time” means 40 hours or more worked per week, or a lesser number of hours if: (1) the lesser number is a recognized industry standard as determined by the County, or (2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under the Contract, the subcontractor shall also be subject to the provisions of this Paragraph 14. The provisions of this Paragraph 14 shall be inserted into any such subcontract agreement, and a copy of the Jury Service Program shall be attached to the agreement.
- 14.2.3 If Contractor is not required to comply with the Jury Service Program when the Contract 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 Jury Service 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 the Contract 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.
- 14.2.4 Contractor’s violation of this Paragraph 14 of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

15. CONFLICT OF INTEREST

- 15.1** No County employee whose position with County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Contract. 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.
- 15.2** Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Paragraph 15 shall be a material breach of this Contract.

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

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

17. CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

17.1 Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give consideration for any such employment openings to participants in 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.

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

18. CONTRACTOR RESPONSIBILITY AND DEBARMENT

18.1 RESPONSIBLE CONTRACTOR

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is County's policy to conduct business only with responsible contractors.

18.2 CHAPTER 2.202 OF THE COUNTY CODE

Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the Contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

18.3 NON-RESPONSIBLE CONTRACTOR

County may debar a Contractor if the Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed an 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, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

18.4 CONTRACTOR HEARING BOARD

- 18.4.1 If there is evidence that Contractor may be subject to debarment, County 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 the Contractor Hearing Board.
- 18.4.2 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, Contractor Hearing Board shall 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 and County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 18.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 18.4.4 If Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that 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.
- 18.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where (i) 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.
- 18.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

18.5 SUBCONTRACTORS OF CONTRACTOR

These terms of this Paragraph 18 shall also apply to subcontractors of County contractors.

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

20. CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM

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

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

21. 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 that 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 Contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

22. COUNTY’S QUALITY ASSURANCE PLAN

County or its agent will evaluate Contractor’s performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor’s compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvements/corrective action measures taken by County and Contractor. If improvement does

not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

23. DAMAGE TO COUNTY FACILITIES, BUILDINGS AND GROUNDS

23.1 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.

23.2 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.

24. EMPLOYMENT ELIGIBILITY VERIFICATION

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

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

25. FACSIMILE REPRESENTATIONS

County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments and Change Notices prepared pursuant to Paragraph 8 (Change Notices and Amendments) and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments and Change Notices to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

26. FAIR LABOR STANDARDS

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

27. FORCE MAJEURE

- 27.1** Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Paragraph 27 as "force majeure events").
- 27.2** Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph 27, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- 27.3** In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

28. GOVERNING LAW, JURISDICTION AND VENUE

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

29. INDEPENDENT CONTRACTOR STATUS

- 29.1** This Contract 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 shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 29.2** Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. 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.
- 29.3** Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of Contractor pursuant to this Contract.
- 29.4** Contractor shall adhere to the provisions stated in Paragraph 41 (Confidentiality).

30. INDEMNIFICATION

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

Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 30 shall be conducted by Contractor and performed by counsel selected by Contractor. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense.

31. INSURANCE

31.1 GENERAL INSURANCE REQUIREMENTS

Without limiting Contractor's indemnification of County and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Paragraph 31, including Paragraph 31.4 (Insurance Coverage Requirements), of this Base Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Contract.

31.2 EVIDENCE OF COVERAGE AND NOTICE TO COUNTY

- 31.2.1 A certificate(s) of insurance coverage (Certificate) satisfactory to County and a copy of an Additional Insured endorsement confirming that County and its Agents (defined below) have been given Insured status under Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- 31.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. County reserves the right to obtain complete, certified copies of any required Contractor and/or subcontractor insurance policies at any time.
- 31.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract 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 Contract. 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.
- 31.2.4 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 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, with a copy to County's Project Manager, at the address set forth in Exhibit E (County's Administration).

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 subcontractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

31.3 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 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.

31.3.1 CANCELLATION OF OR CHANGES IN INSURANCE

Contractor shall provide County, or Contractor's insurance policies shall contain, a provision that County shall receive written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance of any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of this Contract, in the sole discretion of County, upon which County may suspend or terminate this Contract.

31.3.2 FAILURE TO MAINTAIN INSURANCE

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase the Required Insurance and, without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

31.3.3 INSURER FINANCIAL RATINGS

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

31.3.4 CONTRACTOR'S INSURANCE SHALL BE PRIMARY

Contractor's insurance policies, with respect to any claims related to this Contract, 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.

31.3.5 WAIVERS OF SUBROGATION

To the fullest extent permitted by law, 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 Contract. Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

31.3.6 SUBCONTRACTOR INSURANCE COVERAGE REQUIREMENTS

Contractor shall include all subcontractors 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.

31.3.7 DEDUCTIBLES AND SELF-INSURED RETENTIONS (SIRs)

Contractor's policies shall not obligate County to pay any portion of any Contractor deductible or SIR. County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

31.3.8 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 Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

31.3.9 APPLICATION OF EXCESS LIABILITY COVERAGE

Contractor may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

31.3.10 SEPARATION OF INSUREDS

All liability policies shall provide cross liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

31.3.11 ALTERNATIVE RISK FINANCING PROGRAMS

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

31.3.12 COUNTY REVIEW AND APPROVAL OF INSURANCE REQUIREMENTS

County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

31.4 INSURANCE COVERAGE REQUIREMENTS

31.4.1 GENERAL LIABILITY

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

31.4.2 AUTOMOBILE LIABILITY

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.

31.4.3 WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

31.4.4 PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS

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 Contract's expiration, termination or cancellation.

32. LIQUIDATED DAMAGES

- 32.1** If, in the judgment of the Director, or his/her designee, Contractor is deemed to be non-compliant with the terms and obligations assumed hereunder, the Director, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to Contractor from County will be forwarded to Contractor by the Director, or his/her designee, in a written notice describing the reasons for said action.
- 32.2** If the Director, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Director, or his/her designee, deems are correctable by Contractor over a certain time span, the Director, or his/her designee, will provide a written notice to Contractor to correct the deficiency within specified time frames. Should Contractor fail to correct deficiencies within said time frame, the Director, or his/her designee, may:
- (a) Deduct from Contractor's payment, pro rata, those applicable portions of the monthly amounts due to Contractor; and/or
 - (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction and that Contractor shall be liable to County for liquidated damages in said amount. Said amount shall be deducted from County's payment to Contractor; and/or
 - (c) Upon giving five (5) days notice to Contractor for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Contractor from County, as determined by County.
- 32.3** The action noted in Paragraph 32.2 above shall not be construed as a penalty, but as adjustment of payment to Contractor to recover County cost due to the failure of Contractor to complete or comply with the provisions of this Contract.
- 32.4** This Paragraph 32 shall not, in any manner, restrict or limit County's right to damages for any breach of this Contract provided by law or as specified in Paragraph 32.2 above or otherwise in this Contract and shall not, in any manner, restrict or limit County's right to terminate this Contract as agreed to herein.

33. APPROVAL OF WORK

All tasks, subtasks, "work products" (deliverables), services or other work performed by Contractor are subject to the written approval of County's Project Manager or designee. Approval or rejection of deliverable(s) will not be unreasonably withheld by County.

34. NONDISCRIMINATION AND AFFIRMATIVE ACTION

- 34.1** Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti discrimination laws and regulations.
- 34.2** Contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's EEO Certification).
- 34.3** Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 34.4** 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 disability, marital status, or political affiliation.
- 34.5** Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 34.6** Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 34 when so requested by County.
- 34.7** If County finds that any provisions of this Paragraph 34 have been violated, such violation shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract. While County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Contract.
- 34.8** The parties agree that in the event Contractor violates any of the anti discrimination provisions of this Contract, County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

35. NON-EXCLUSIVITY

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

36. NOTICE OF DELAYS

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

37. NOTICE OF DISPUTES

Contractor shall bring to the attention of County's Project Director and County's Project Manager any dispute between County and Contractor regarding the performance of services as stated in this Contract. If County's Project Director, with assistance from County's Project Manager, is not able to resolve the dispute, the Director or designee shall resolve it.

38. NOTICE TO EMPLOYEES REGARDING THE 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 No. 1015.

39. 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 I (Safely Surrendered Baby Law) of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

40. NOTICES

40.1 Notices required or permitted to be given under the terms of this Contract or by any law now or hereafter in effect may, at the option of the party giving notice, be given by personal delivery or by enclosing the same in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States Post Office or substation thereof, or any public mail box.

The notices and envelopes containing same to County shall be addressed to the applicable parties as identified in Exhibit E (County's Administration).

The notices and envelopes containing same to Contractor shall be addressed to the applicable parties as identified in Exhibit F (Contractor's Administration).

Addresses may be changed by either party giving ten (10) day's prior written notice thereof to the other. The Director's designee shall have the authority to issue all notices or demands required or permitted by County under this Contract.

- 40.2** In the event of suspension or termination of this Contract, notices may also be given upon personal delivery to any person whose actual knowledge of such suspension or termination would be sufficient notice to Contractor.

41. CONFIDENTIALITY

- 41.1** Contractor shall maintain the confidentiality of all records and information, including but not limited to billing, County records, case records and patient records, in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information privacy and security and the protection of confidential records and information.
- 41.2** 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, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 41, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 41 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 41.3** Contractor shall inform all of its officers, employees, agents and subcontractors providing Services or other work hereunder of the confidentiality provisions of this Contract. Contractor shall ensure that each consultant and any other person performing work for or on behalf of Contractor shall sign and adhere to the terms and conditions set forth in Exhibit G (Acknowledgment, Confidentiality and Assignment Agreement) prior to commencing any work under the Contract.

42. PUBLIC RECORDS ACT

- 42.1** Any documents submitted by Contractor; all information obtained in connection with County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 44 (Record Retention and Inspection/Audit Settlement) of this Contract; as well as any documents which were required to be submitted by Contractor in response to the Request for Proposals resulting in this Contract, become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements that meet the exceptions set forth in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential" or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

43. PUBLICITY

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

- Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, 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 or designee. County shall not unreasonably withhold written consent.

43.2 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 43 shall apply.

44. RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. 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 record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to County during the term of this Contract 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, provided that if any such material is located outside Los Angeles County, then, at County’s option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

44.1 In the event that an audit of Contractor is conducted specifically regarding this Contract 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 Contract. Subject to applicable law, County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

44.2 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 44 shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract.

44.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of County conduct an audit of Contractor regarding the work performed under this Contract, and if such audit finds that County's dollar liability for any such work is less than payments made by County to Contractor, then the difference shall be either (a) repaid by Contractor to County by cash payment upon demand or (b) at the sole option of County's Auditor-Controller, deducted from any amounts due to Contractor from County, whether under this Contract or otherwise. If such audit finds that County's dollar liability for such work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County by cash payment, provided that in no event shall County's maximum obligation for this Contract exceed the funds appropriated by County for the purpose of this Contract.

45. RECYCLED BOND 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 on this Contract.

46. SUBCONTRACTING

46.1 The requirements of this Contract may not be subcontracted by Contractor without the advance approval of County. Any attempt by Contractor to subcontract without the prior consent of County may be deemed a material breach of this Contract.

46.2 If Contractor desires to subcontract, Contractor shall provide the following information promptly upon County's request:

- (a) A description of the work to be performed by the subcontractor;
- (b) A draft copy of the proposed subcontract; and
- (c) Other pertinent information and/or certifications requested by County.

46.3 Contractor shall indemnify and hold County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

46.4 Contractor shall remain fully responsible for all performances required of it under this Contract, including those that Contractor has determined to subcontract, notwithstanding County's approval of Contractor's proposed subcontract.

46.5 County's consent to subcontract shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. Contractor is responsible to notify its subcontractors of this County right.

46.6 County's Project Director is authorized to act for and on behalf of County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by County, Contractor shall forward a fully executed subcontract to County for its files.

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- 46.7** Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding County's consent to subcontract.
- 46.8** Contractor shall include all subcontractors 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 set forth in this Contract.
- 47. 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 20 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Contract pursuant to Paragraph 50 (Termination for Default) and pursue debarment of Contractor pursuant to County Code Chapter 2.202.
- 48. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX PROGRAM**
- Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 21 (Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program), shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this Contract and/or pursue debarment of Contractor pursuant to County Code Chapter 2.206.
- 49. TERMINATION FOR CONVENIENCE**
- 49.1** This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by County, in its sole discretion, 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. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.
- 49.2** After receipt of a notice of termination and except as otherwise directed by County, Contractor shall:
- Stop work under this Contract on the date and to the extent specified in such notice, and
 - Complete performance of such part of the work as shall not have been terminated by such notice.
- 49.3** After receipt of the Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than one (1) month from the effective date of termination. Upon failure of Contractor to submit its termination claim and

invoice within the time allowed, County may determine, on the basis of information available to County, the amount, if any, due to Contractor in respect to the termination and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

- 49.4** Subject to the provisions of Paragraphs 49.1 and 49.2 above, County and Contractor shall negotiate an equitable amount to be paid to Contractor by reason of the total or partial termination of work pursuant to this Paragraph 49. Said amount may include a reasonable allowance for profit on work done but shall not include an allowance on work terminated. County shall pay the agreed amount; subject to other limitations and provided that such amount shall not exceed the total funding obligated under this Contract as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated.
- 49.5** All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Contract shall be maintained by Contractor in accordance with Paragraph 44 (Record Retention and Inspection/Audit Settlement).

50. TERMINATION FOR DEFAULT

- 50.1** County may, by written notice to Contractor, terminate the whole or any part of this Contract, if, in the judgment of County:
- (a) Contractor has materially breached this Contract; or
 - (b) Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service or other work required either under this Contract; or
 - (c) Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) Business Days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.
- 50.2** In the event that County terminates this Contract in whole or in part as provided in Paragraph 50.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and services. Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Paragraph 50.2.
- 50.3** Except with respect to defaults of any subcontractor, Contractor shall not be liable for any such excess costs of the type identified in Paragraph 50.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor

shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph 51.3, the terms “subcontractor” and “subcontractors” mean subcontractor(s) at any tier.

- 50.4** If, after County has given notice of termination under the provisions of this Paragraph 50, it is determined by County that Contractor was not in default under the provisions of this Paragraph 50, or that the default was excusable under the provisions of Paragraph 50.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 49 (Termination for Convenience).
- 50.5** The rights and remedies of County provided in this Paragraph 50 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

51. TERMINATION FOR IMPROPER CONSIDERATION

- 51.1** County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Contract 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 Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to Contractor’s performance pursuant to this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.
- 51.2** Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to County Auditor-Controller’s Employee Fraud Hotline at (800) 544-6861.
- 51.3** Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

52. TERMINATION FOR INSOLVENCY

- 52.1** County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
 - The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code;
 - The appointment of a Receiver or Trustee for Contractor; or
 - The execution by Contractor of a general assignment for the benefit of creditors.
- 52.2** The rights and remedies of County provided in this Paragraph 52 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

53. TERMINATION FOR NON-ADHERENCE TO COUNTY LOBBYIST ORDINANCE

Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by Contractor, shall fully comply with County's Lobbyist Ordinance, 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's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which County may in its sole discretion, immediately terminate or suspend this Contract.

54. TERMINATION FOR NON-APPROPRIATION OF FUNDS

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

55. VALIDITY

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

56. WAIVER

No waiver by County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies specified in this Paragraph 56 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

57. WARRANTY AGAINST CONTINGENT FEES

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

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

58. COUNTY LOBBYISTS

Each County lobbyist as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of any County lobbyist retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Contract upon which County may immediately terminate or suspend this Contract. Contractor shall comply

with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Contract. 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.

59. PROHIBITION FROM INVOLVEMENT IN THE BIDDING PROCESS OF FUTURE RFPS

Contractor understands and agrees that neither Contractor nor its subsidiaries shall be involved in any way in the bidding process on any Request for Proposals developed or prepared by or with the assistance of Contractor's services rendered pursuant to this Contract, whether as a prime contractor or subcontractor, or as a contractor to any other prime contractor or subcontractor. Any such involvement by Contractor shall result in the rejection by County of the bid or proposal by the prime contractor in question.

60. PROPRIETARY RIGHTS

- 60.1** County shall be the sole owner of all right, title and interest, including copyright, in and to all software programs and interfaces including all source code, information, data, plans, diagrams, reports and other documents and records (hereafter "materials" or "County Materials") which are originated or created through Contractor's work pursuant to this Contract. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in County all of Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's work under this Contract. Contractor shall ensure that each consultant and any other person providing work for or on behalf of Contractor shall fully execute Exhibit G (Acknowledgment, Confidentiality and Assignment Agreement) prior to commencing any work under the Contract.
- 60.2** During the term of this Contract and for five (5) years thereafter, Contractor shall maintain and provide security for all of Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use, at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 60.3** Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, 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 or designee as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" on each appropriate page of any document containing such material.
- 60.4** County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 60.5** Notwithstanding any other provision of this Contract, County will not be obligated to Contractor in any way under Paragraph 60.4 above for any of Contractor's proprietary and/or confidential

items which are not plainly and prominently marked with restrictive legends as required by Paragraph 60.3 above or for any disclosure which County is required to make under any state or federal law or order of court.

60.6 All the rights and obligations of this Paragraph 60 shall survive the expiration or termination of this Contract.

61. LICENSES, PERMITS, REGISTRATIONS AND CERTIFICATES

Contractor shall obtain and maintain in effect during the term of this Contract all licenses, permits, registrations, accreditations and certificates, if any, required by all Federal, State, and local laws, ordinances, rules, and regulations, which are applicable to the performance of this Contract, and shall further ensure that all of its officers, employees and agents who perform Services and other work hereunder shall obtain and maintain in effect during the term of this Contract all licenses, permits, registrations, accreditations and certificates which are applicable to their performance of Services and other work hereunder. A copy of each such license, permit, registration, accreditation and certificate required by law shall be provided to County's Project Director, with a copy to County's Project Manager, at the address set forth in Exhibit E (County's Administration) upon request.

62. INTELLECTUAL PROPERTY INDEMNIFICATION

62.1 Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's work under this Contract. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.

62.2 In the event any equipment, software or services product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, software or services product; or
- Replace the questioned equipment, software or services product with a non-questioned item; or
- Modify the questioned equipment, software or services product so that it is free of claims.

62.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

63. PROHIBITION AGAINST INDUCEMENT AND PERSUASION

Notwithstanding the above, Contractor and County agree that, during the term of this Contract and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

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

COUNTY:

By _____
Jonathan E. Fielding, M.D., M.P.H., Director
Department of Public Health

CONTRACTOR: CODAI, INC.

By _____
Signature

Print Name

Title _____

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By _____
VICTORIA MANSOURIAN
Principal Deputy County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Public Health

By _____
Patricia Gibson, Chief
Contracts and Grants Division

EXHIBIT A
STATEMENT OF WORK
FOR
CHOI SYSTEM SERVICES

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1. GENERAL

1.1 OVERVIEW

This Exhibit A (Statement of Work) consists of tasks, subtasks, deliverables, goods, services and other work that the selected Contractor shall be required to provide to assist the Department with the development, implementation and deployment of the CHOI System to production. The Contractor shall also be required to provide ongoing maintenance and support services for the CHOI System including the development, implementation and deployment of any enhancements requested by County.

The capitalized terms used throughout this Exhibit A shall have the meanings given to such terms in this Exhibit A. All other capitalized terms used in this Exhibit A without definitions shall have the meanings given to such terms in the Base Contract or otherwise in the Contract, as applicable.

1.2 SCOPE OF WORK

The scope of work under this Contract shall include, but is not limited to:

- Deployment of the CHOI System into production;
- Development, implementation and deployment of new system reports and reporting capabilities;
- Development, implementation and deployment of system enhancements requested by County; and
- Perform one-time and ongoing maintenance and support of the CHOI System.

The scope below defines the tasks and deliverables under the Statement of Work. A notice to proceed must be provided by email or written communication from County notifying Contractor to begin any task.

2. TERMS OF SERVICES

The Services provided by Contractor to County under this Contract shall be subject to the terms and conditions set forth in this Section 2 below.

2.1 GENERAL DESCRIPTION

In addition to the work and services to be performed by Contractor pursuant to the Agreement and any other Statements of Work existing under the Agreement, Contractor shall perform services as specified for this project. Such services shall be rendered in accordance with and shall be deemed rendered pursuant to the terms and conditions of the Agreement and the terms and conditions of this Statement of Work.

2.2 COUNTY MATERIALS

County will work with Contractor to create designs and plans for the features described above. This may include page layout, text descriptions and verbiage, and specific details of what actions should take place.

Contractor anticipates that the complexity of tasks may grow throughout the development process. The parties agree Contractor’s Project Manager and County’s Project Manager can authorize reasonable changes to the tasks without execution of a Change Notice, but must confirm such changes in writing by fax or email. If Contractor’s Project Manager determines that the timing or scope of requested task changes is likely to affect contracted project costs or milestones, a Change Notice shall be required before the changes contemplated will be executed by Contractor.

2.3 WORK DELIVERY

Each item listed in Schedule B.1 (Schedule of Services) will be subject to delivery and acceptance by the County under the terms of the Contract. Upon Contractor’s request, and prior to Contractor beginning work, County’s Project Manager will be asked to execute a written Acceptance Certificate based on a template set forth in Attachment A.1 (Acceptance Certificate Template) indicating County’s affirmative acceptance of the applicable task or deliverable.

2.4 ASSUMPTIONS

- Time and budget estimates are based upon requirements maintained within Contractor’s VersionOne project management tool.
- Travel and related expenses will be the responsibility of Contractor.
- County hosting facilities will continue to be used to host the CHOI System.
- The successful completion of all tasks and deliverables is contingent upon receiving requested funding.

2.5 COUNTY DELAY

County agrees that any delay with respect to the provision of County Materials, approvals, deployments or other assistance to Contractor resulting in the delay of the project may extend the deadline for subsequent tasks or milestones set forth in the Project Schedule by a period at least equal to County’s delay. In addition, for any County obligation described as time-sensitive or critical in this Statement, failure of County to meet its deadline may entitle Contractor to a revised mutually agreed upon Project Schedule based on a realistic estimate of the effect of the delay on the completion of the project, taking into account other work scheduled by Contractor.

2.6 FIXED HOURLY RATE

Contractor’s hourly rate for the project (hereinafter “Fixed Hourly Rate”) shall not exceed \$98 per hour and will apply to any work performed in connection with project that County requests and that is not included in the previously defined scope of work or in any Change Notice.

3. TASKS AND DELIVERABLES

Under the direction of County’s Project Manager, Contractor shall perform the tasks and subtasks and produce the deliverables as set forth in this Statement of Work.

3.1 TASK 1 – DEVELOP PROJECT CONTROL DOCUMENT

Contractor shall develop a Project Control Document (“PCD”) and submit it for written approval to County’s Project Manager. The Project Control Document shall, at a minimum, include the following:

1. A detailed Project Plan developed using Microsoft Project 2003 or higher, comprised of the project tasks, activities, planned start and end dates, dependencies and responsibilities.
2. Project organization, roles and responsibilities and description of management structure for deliverable review and approval, as well as issue escalation and resolution.
3. Deliverables/milestones list describing planned dates for completing project deliverables and/or project milestones.
4. Any other information reasonably requested or required by County.

3.1.1 DELIVERABLE 1 – PROJECT CONTROL DOCUMENT

Contractor shall provide to County a PCD, including a Project Plan, within two (2) weeks of the Effective Date of the Contract developed in accordance with *Task 1 (Develop Project Control Document)*. This document shall be updated and maintained throughout the life of the project.

The Project Control Document shall be comprised, at a minimum, of the following components:

- a. Project Scope and Objectives – a brief statement of the scope and objectives of the project;
- b. Project Organization, Roles and Responsibilities – A hierarchical structure depicting the organization of the project team and its reporting relationships, including a description of the primary roles and responsibilities of the project team members and any relevant organizational relationships;
- c. Detailed Work Plan – A detailed narrative description of project with roles and responsibilities of project team members by task, subtask, timeframe to complete each task and any dependencies on other tasks;
- d. Assumptions – A listing of all relevant assumptions made in the development of the Detailed work plan. All assumptions must be clearly documented;
- e. Deliverables List – A list of the Deliverables to be produced for each Task and Subtask, including a paragraph description of each Deliverable, the target completion date and actual completion date for each Deliverable;
- f. GANTT Chart – A chart showing the Tasks, Subtasks, critical path and dependencies organized by Deliverables, as appropriate, and in accordance with the Detailed Work Plan;
- g. Deliverable Acceptance Process – A description of the deliverable acceptance process that will be used including Deliverable Acceptance forms to be used;
- h. Communication Plan – A description of the primary means of communication that will be used throughout the project. This should include a description of any recurring Tasks and Subtasks (e.g., Status Meetings, etc.);
- i. Risk Management – A description of the risk management process, including a tracking mechanism for potential project risks, the probability of those risks occurring, potential impact of those risks and risk mitigation strategies;
- j. Change Management Process – A description of the change management process that will be used to mitigate any negative impact of the implementation plan and roll-out including Change Notice forms to be used;

- k. Escalation Procedures – A description of the process to be used to resolve project conflicts, including a diagram of the escalation process and key project team members responsible for decision-making and conflict resolution.

The PCD, including the Project Plan, may be modified only if such modification has been approved in advance in writing by County’s Project Manager. The Project Plan shall serve as the basis for the Project Schedule, which shall be updated upon finalization of the PCD, including the Project Plan, pursuant to *Task 1 (Develop Project Control Document)* and shall be attached to the Contract as Exhibit C (Project Schedule).

3.2 TASK 2 – DEPLOY SYSTEM TO PRODUCTION

3.2.1 SUBTASK 2.1 – CONDUCT SYSTEM TEST

Contractor shall complete all tasks to ensure that testing of the System is completed and passed to the satisfaction of County. Contractor with County’s assistance shall participate in the testing of the System in accordance with the test plan developed by Contractor and approved by County. The list of deficiencies shall be reviewed with special attention to any deficiencies that are unresolved. Any unresolved deficiencies shall be updated with current status, timeframe for resolution and other appropriate notes.

3.2.2 DELIVERABLE 2.1 – SYSTEM IN PRODUCTION

Contractor shall submit to County’s Project Manager for approval a report certifying that the System Test has been completed and the System is ready for production use pursuant to *Subtask 1.1 – Conduct System Test*.

The deficiency list shall be submitted with the certification. County, in its sole discretion, shall determine if any unresolved deficiencies individually or cumulatively are critical to prevent the System from achieving production. County, in its sole discretion, upon successful completion of this *Deliverable 1.1*, shall specify the date of System production; and Contractor will assist County with all tasks required to ensure promotion of the System from development, testing and staging environments to the production environment.

3.2.3 SUBTASK 2.2 – MAINTAIN NON-DEFICIENT SYSTEM IN PRODUCTION

Contractor shall support the System production environment for a minimum of thirty (30) consecutive days from the date of System production without any deficiencies (“Warranty Period”). Upon occurrence of a Deficiency, Contractor shall correct such Deficiency by re-performance pursuant to, and subject to the applicable provisions of, the Contract including the maintenance and support terms. Contractor shall correct all deficiencies identified during such 30-day period, even if the last correction occurs after such 30-day period. Maintenance and support of the System, including correction of all identified deficiencies, during the Warranty Period shall be at no cost to County.

Contractor shall provide a log of all deficiencies identified during the System production together with the solutions and correction timetables that shall include all deficiencies still outstanding

since the project start and all deficiencies identified since the date of System production with appropriate status notations, indicating closing dates and resolution or if they are outstanding when they will be resolved.

3.2.4 DELIVERABLE 2.2 – FINAL ACCEPTANCE OF SYSTEM

Contractor shall submit to County’s Project Manager for approval a report certifying that the System has been in production use for at least thirty (30) consecutive days without any deficiencies and that all deficiencies discovered during such 30-day period have been corrected, as specified in *Subtask 2.2 – Maintain Non-Deficient System Production*. The report shall include documentation of all deficiencies documented during the Warranty Period and a timetable for the correction of each such deficiency in accordance with applicable standards for correcting such deficiencies.

3.3 TASK 3 – SYSTEM REPORTS

3.3.1 SUBTASK 3.1 – DEVELOP CASE MANAGEMENT REPORTS

Contractor will develop technical specifications for and deliver the following case management reports:

- a. “Enrollment Verifications Complete” Report
Report to assist project managers in their assessments of enrollment data and to allow staff to track their own productivity, 90 days post application.
- b. “Redetermination Complete” Report
Report to assist project managers in measuring retention success and to allow staff to track their own productivity, 11 months post enrollment.
- c. “Utilization Complete” Report
Report to assist project managers in gauging the usage of health program areas (dental/vision/health) and allow staff to track their own productivity, 6 months post enrollment.

3.3.2 DELIVERABLE 3.1 - CASE MANAGEMENT REPORTS

- a. Contractor shall submit to County’s Project Manager for acceptance the technical specifications for the “Enrollment Verifications Complete”, “Redetermination Complete” and “Utilization Complete” reports prior to initiation of the development of each report.
- b. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Enrollment Verifications Complete" report.
- c. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Redetermination Complete" report.
- d. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Utilization Complete" report.

3.3.3 SUBTASK 3.2 – DEVELOP HARD COPY FORM REPORTS

Contractor will develop and deliver the following printable “hard copy” forms reports for archiving and use by staff in the field when working with clients:

- a. Intake
- b. Enrollment Verification
- c. Utilization Post Enrollment
- d. Redetermination
- e. Outreach

3.3.4 DELIVERABLE 3.2 – HARD COPY FORM REPORTS

- a. Contractor shall submit to County’s Project Manager for acceptance the technical specifications for the “Intake”, “Enrollment Verification”, “Utilization Post Enrollment”, “Redetermination” and “Outreach” hard copy form reports prior to initiation of the development of each report.
- b. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Intake" hard copy form report.
- c. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Enrollment Verification" hard copy form report.
- d. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Utilization Post Enrollment" hard copy form report.
- e. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Redetermination" hard copy form report.
- f. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the "Outreach" hard copy form report.

3.3.5 SUBTASK 3.3 – DEVELOP AD-HOC REPORTING SYSTEM

Contractor will develop and deliver an ad-hoc reporting system to provide users with report generation capabilities.

3.3.6 DELIVERABLE 3.3 – AD-HOC REPORTING SYSTEM

- a. Contractor shall submit to County’s Project Manager for acceptance the technical specifications for the ad-hoc reporting system prior to initiation of the development of the ad-hoc reporting system.

- b. Contractor shall submit to County’s Project Manager for acceptance the data model design and screen mock-ups for the ad-hoc reporting system prior to initiation of the development of the ad-hoc reporting system.
- c. Contractor shall submit to County’s Project Manager for testing and acceptance the messaging system for managing the de-normalized data creation used within reports
- d. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the ad-hoc reporting system capabilities.

3.3.7 SUBTASK 3.4 – DEVELOP AD-HOC AGENCY GOALS AND OBJECTIVES ADMINISTRATIVE PAGE AND REPORT

Contractor will develop and deliver an administrative page to track ad-hoc agency objectives and goals along with a corresponding “Objective” report. Contractor will develop the administrative feature and corresponding “Objective” report so that it will only be made available to the DPH CHOI program administrator and designees.

3.3.8 DELIVERABLE 3.4 – AD-HOC AGENCY GOALS AND OBJECTIVES ADMINISTRATIVE PAGE AND REPORT

- a. Contractor shall submit to County’s Project Manager for acceptance the technical specifications for the ad-hoc agency objectives/goals prior to initiation of the development of the ad-hoc agency objectives and goals administrative page and report.
- b. Contractor shall submit to County’s Project Manager for testing and acceptance the final web form that will be used to input report criteria and generate empty report templates.
- c. Contractor shall submit to County’s Project Manager for testing and acceptance the final version of the administration capabilities with searching and dynamic report creation.

3.7 TASK 4 – SOFTWARE MAINTENANCE AND SUPPORT

3.7.1 SUBTASK 4.1 – DEVELOP MAINTENANCE AND SUPPORT PLAN

Contractor shall work in conjunction with County staff to develop a plan for maintenance and support to be provided by Contractor in accordance with a the applicable maintenance and support terms. The maintenance and support plan shall address, at a minimum, the following Services:

- a. One-time maintenance tasks including clean-up of the DPH SVN structure for the System and creation of package and deployment configurations for continuous integration servers;
- b. Software enhancements and updates;
- c. Process for the correction of undiscovered bugs (i.e., error, flaw, failure, or fault in the System that produces an incorrect or unexpected result or causes unintended behavior); and

d. Process for Optional Services.

3.7.2 DELIVERABLE 4.1 – MAINTENANCE AND SUPPORT PLAN

Contractor shall provide to County for approval the maintenance and support plan developed in accordance with *Subtask 4.1 – Develop Maintenance and Support Plan*.

3.7.3 SUBTASK 4.2 – PROVIDE MAINTENANCE AND SUPPORT SERVICES

Contractor shall work jointly with County to implement and provide maintenance and support services pursuant to the maintenance and support plan.

Contractor shall provide maintenance and support services in accordance with the applicable maintenance and support terms.

If a problem can be resolved based on the technical training and materials provided by Contractor, then County’s technical staff will use reasonable efforts to resolve such problem prior to contacting Contractor. If County’s technical staff is unable to resolve the problem or if County determines that there is a problem resulting from the System provided by Contractor, then the problem will be escalated by County to Contractor as a deficiency for resolution through Contractor’s VersionOne requirements management system or other process agreed to by County and Contractor. The resolution of a deficiency will be subject to remedies for Contractor’s failure to timely resolve the problem.

Contractor will provide County with written confirmation that the deficiency has been resolved. Each deficiency will be documented and accepted by County’s Project Manager by denoting a Deficiency as “Accepted” within the Contractor’s VersionOne requirements management system.

3.7.4 DELIVERABLE 4.2 – MAINTENANCE AND SUPPORT SERVICES

Contractor shall provide maintenance and support services, commencing upon System Production in accordance with Subtask 4.2 – Provide Maintenance and Support Services.

Maintenance and Support Services shall include without limitation:

- a. Providing technical support to the County Technical Team for maintaining the System, including the System software maintained by Contractor;
- b. Providing updates to the System software maintained by Contractor; and
- c. Providing immediate corrective action to any activities and/or tasks that are not in compliance with the System requirements.

3.8 TASK 5 – PROVIDE ENHANCEMENTS

County may from time to time, during the term of the Contract, submit to Contractor written requests for enhancements to the System software (hereinafter “Enhancements”) using Pool Dollars not included in Contractor’s Fixed Price Amount for the Required Services under the Statement of Work. In response to such request, Contractor shall submit to County for approval a proposed Change Order for such Enhancements and a not-to-exceed Maximum Fixed Price

calculated using the Fixed Hourly Rate, if applicable. County and Contractor shall agree on the Change Order for the tasks and deliverables to be performed, the schedule of completion and the Maximum Fixed Priced, if applicable, for such Enhancements.

3.8.1 DELIVERABLE 5 – ENHANCEMENTS

Upon County’s request and agreement upon the Change Order, including the Maximum Fixed Price, if applicable, Contractor shall provide to County the requested Enhancements in accordance with *Task 5 – Provide Enhancements*. Both the topic and the scope of any Enhancements shall be identified and approved by County’s Project Manager in advance.

3.9 TASK 6 – PROVIDE OPTIONAL SERVICES

County may from time to time, during the term of the Contract, submit to Contractor written requests for Optional Services using Pool Dollars, to the extent available, not included in Contractor’s Fixed Price Amount for the Required Services under the Statement of Work. In response to such request, Contractor shall submit to County for approval a proposed Change Order for such Optional Services and a not-to-exceed Maximum Fixed Price calculated using the Fixed Hourly Rate, if applicable. County and Contractor shall agree on the Change Order for the tasks and deliverables to be performed, the schedule of completion and the Maximum Fixed Priced, if applicable, for such Optional Services.

Optional Services that County may procure using Pool Dollars may include, but are not limited to, the development of additional reports, implementation of new software modules or features, enhancement of technical architecture components and user interface improvements.

3.9.1 DELIVERABLE 6 – OPTIONAL SERVICES

Upon County’s request and agreement upon the Change Order, including the Maximum Fixed Price, Contractor shall provide to County Optional Services using Pool Dollars in accordance with *Task 6 – Provide Optional Services*. Both the topic and the scope of any Optional Services shall be identified and approved by County’s Project Manager in advance.

ATTACHMENT A.1
ACCEPTANCE FORM TEMPLATE
FOR
CHOI SYSTEM SERVICES

ACCEPTANCE CERTIFICATE

CONTRACT NAME CHOI System Services		CONTRACT / ORDER NO. H-	
CONTRACTOR'S NAME AND ADDRESS: Codai, Inc. 2090 Holly Street Denver, Colorado 80207		TRANSMITTAL DATE	
FROM:	Contractor's Project Manager	TO:	County's Project Manager
NAME:		NAME:	
TELEPHONE:	() -	COUNTY DEPARTMENT:	Public Health
SIGNATURE (REQUIRED):		DIVISION NAME:	

Contractor hereby certifies to County that, as of the date of this Acceptance Certificate, Contractor has satisfied all of the conditions precedent in the Contract, including all Exhibits, Attachments and Schedules thereto, to the completion of the Task(s) and delivery of the Deliverable(s) set forth below, including satisfaction of the completion Acceptance Criteria applicable to such Task(s) and Deliverable(s) and County's approval of the Services performed in connection with the achievement of such Task(s) and Deliverable(s).

Contractor further represents and warrants that the Services performed in respect of such Task(s) and Deliverable(s) has been completed in accordance with Exhibit A (Statement of Work) under the Agreement, including all Attachments thereto and/or any applicable Change Orders. The signatures of County's Project Manager's and County's Project Director's constitute approval and Acceptance of the Task(s) and Deliverable(s) listed below. 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.

TASK / DEL. NO. / CHANGE ORDER	DELIVERABLE TITLE	TASK / DELIVERABLE SUMMARY OF SERVICES COMPLETED
COMMENTS:		

COUNTY'S ACCEPTANCE		
COUNTY'S PROJECT MANAGER	SIGNATURE	DATE
COMMENTS:		
COUNTY'S PROJECT DIRECTOR	SIGNATURE	DATE
COMMENTS:		

DISTRIBUTION: Original – DPH
Copy 1 – Contractor

Copy 2 – County's Project Director
Copy 3 – County's Project Manager

ATTACHMENT A.2
CHANGE ORDER TEMPLATE
FOR
CHOI SYSTEM SERVICES

APPROVALS		
COUNTY'S PROJECT MANAGER	SIGNATURE	DATE
COMMENTS:		
COMMENTS:		

DISTRIBUTION: Original – DPH
Copy 1 – Contractor

Copy 2 – County's Project Director
Copy 3 – County's Project Manager

EXHIBIT B
PRICING SCHEDULE
FOR
CHOI SYSTEM SERVICES

1. REQUIRED SERVICES

All Required Services shall be provided by Contractor under the Contract in accordance with Paragraph 3 (Work) of the Base Contract and Exhibit A (Statement of Work) following approval by County. Contractor shall provide all Required Services specified in Exhibit A (Statement of Work) at the maximum total Fixed Priced Amount of \$320,000, which shall not increase during the term of the Contract. Contractor shall not charge County for any other expenses, including any travel or living expenses.

As part of Required Services, Contractor shall provide maintenance and support services specified in Subtask 4.2 (Provide Maintenance and Support Services) at the Fixed Monthly Fee of \$2,940, which shall not increase during the term of the Contract. As part of Required Services, Contractor shall also provide Enhancements specified in Task 5 (Provide Enhancements) at the Maximum Fixed Price agreed to by the parties in each applicable Change Order, calculated based on the Fixed Hourly Rate of \$98 per hour, which shall not increase during the term of the Contract.

2. OPTIONAL SERVICES

All Optional Services shall be provided by Contractor under the Contract in accordance with Paragraph 3 (Work) of the Base Contract and Exhibit A (Statement of Work) following agreement on a Change Order, including a Maximum Fixed Price, and a notice to proceed from County. All Optional Services shall be provided at the Maximum Fixed Price agreed to by the parties in each applicable Change Order, calculated based on the Fixed Hourly Rate of \$98 per hour, which shall not increase during the term of the Contract. The maximum amount of Pool Dollars for the term of the Contract that may be added to the Pool Dollars by Amendment(s) pursuant to Paragraph 8.3 of the Base Contract shall not exceed \$20,000. Contractor shall not charge County for any expenses other than any agreed upon Maximum Fixed Price, including any travel or living expenses.

3. CONTRACT SUM

The Contract Sum shall be County's maximum obligation under the Contract and shall include the cost of any Services, including Required Services and Optional Services provided by Contractor pursuant to the Contract. The maximum Contract Sum under the Contract, including any and all sales tax amounts and excluding any Pool Dollars that may be added by Amendment(s) to this Contract, is \$320,000, as further specified in Paragraph 5 (Contract Sum) of the Base Contract.

SCHEDULE B.1
SCHEDULE OF SERVICES
FOR
CHOI SYSTEM SERVICES

1. REQUIRED SERVICES

1.1 REQUIRED SERVICES – YEAR 1

DELIVERABLE NUMBER / DESCRIPTION	COUNTY APPROVAL DATE	DELIVERABLE AMOUNT	REMAINING FIXED PRICE AMOUNT
Deliverable No. 1 – Project Control Document		N/A	
Deliverable No. 2.1 – System in Production		N/A	
Deliverable No. 2.2 – Final Acceptance of System		\$3,920	
Deliverable No. 3.1 – Case Management Reports			
a. Enrollment Verifications Complete Report		\$2,362	
b. Redetermination Complete Report		\$2,362	
c. Utilization Complete Report		\$2,362	
Deliverable No. 3.2 – Hard Copy Form Reports			
a. Technical Specifications for Hard Copy Form Reports		\$3,136	
b. Intake Hard Copy Form Report		\$4,312	
c. Enrollment Verification Hard Copy Form Report		\$5,488	
d. Utilization Post Enrollment Hard Copy Form Report		\$4,312	
e. Redetermination Hard Copy Form Report		\$4,312	
f. Outreach Hard Copy Form Report		\$4,312	
Deliverable No. 3.3 – Ad-Hoc Reporting System			
a. Technical Specifications for Ad-Hoc Reporting System		\$7,840	
b. Data Model Design and Screen Mock-Ups		\$7,840	
c. Messaging System		\$27,440	
d. Ad-Hoc Reporting System		\$43,120	
Deliverable No. 3.4 – Ad-Hoc Agency Goals and Objectives Administrative Page and Report			
a. Technical Specifications for Ad-Hoc Agency Goals and Objectives Administrative Page and Report		\$3,136	
b. Web form to input report criteria		\$3,920	
c. Ad-Hoc Reporting System		\$6,664	
Deliverable No. 4.1 – Maintenance and Support Plan		N/A	
Deliverable No. 4.2 – Maintenance and Support Services		\$35,280	
Deliverable No. 5 – Enhancements		\$24,720	
Total		\$200,000	\$200,000

1.2 REQUIRED SERVICES – YEAR 2

DELIVERABLE/CHANGE ORDER NUMBER / DESCRIPTION	COUNTY APPROVAL DATE	DELIVERABLE AMOUNT	REMAINING FIXED PRICE AMOUNT / POOL DOLLARS
Deliverable No. 4.2 – Maintenance and Support Services			\$35,280
Deliverable No. 4.3 – Enhancements			\$24,720
Grand Total			\$60,000

1.3 REQUIRED SERVICES – YEAR 3

DELIVERABLE/CHANGE ORDER NUMBER / DESCRIPTION	COUNTY APPROVAL DATE	DELIVERABLE AMOUNT	REMAINING FIXED PRICE AMOUNT / POOL DOLLARS
Deliverable No. 4.2 – Maintenance and Support Services			\$35,280
Deliverable No. 4.3 – Enhancements			\$24,720
Total			\$60,000

2. OPTIONAL SERVICES

CHANGE ORDER NUMBER / DESCRIPTION	CHANGE ORDER DATE	EXPENDED AMOUNT	REMAINING POOL DOLLARS
Change Order No. 1 – [Description]			\$0.00*

* The amount of Pool Dollars allocated for the term of the Contract may be increased by a total of no more than \$20,000 pursuant to Amendment(s) executed in accordance with Paragraph 8.3 of the Base Contract.

EXHIBIT C
PROJECT SCHEDULE
FOR
CHOI SYSTEM SERVICES

**[PROJECT CONTROL DOCUMENT AND PROJECT PLAN
TO BE DETERMINED]**

EXHIBIT D

**CONTRACTOR'S EEO CERTIFICATION
FOR
CHOI SYSTEM SERVICES**

EXHIBIT D
CONTRACTOR’S EEO CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

GENERAL

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

CERTIFICATION

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

Signature

Date

Name and Title of Signer (please print)

EXHIBIT E

**COUNTY'S ADMINISTRATION
FOR
CHOI SYSTEM SERVICES**

CONTRACT NO. PH-Pending

COUNTY’S PROJECT DIRECTOR:

NAME: Suzanne Bostwick
TITLE: Acting Director
ADDRESS: 600 South Commonwealth Ave, Suite 800
Los Angeles, California 90005
TELEPHONE: (213) 639-6400
FACSIMILE: (213) 639-1033
E-MAIL ADDRESS: sbostwick@ph.lacounty.gov

COUNTY’S PROJECT MANAGER:

NAME: Ayda Ghebrezghi
TITLE: Acting Director, CHOI
ADDRESS: 600 South Commonwealth Ave, Suite 805
Los Angeles, California 90005
TELEPHONE: (213) 637-8481
FACSIMILE: (213) 427-6157
E-MAIL ADDRESS: aghebrezghi@ph.lacounty.gov

DIRECTOR:

NAME: Jonathan E. Fielding, M.D., M.P.H.
TITLE: Director and Health Officer
ADDRESS: 313 N. Figueroa Street, Room 708
Los Angeles, CA 90012
TELEPHONE: (213) 240-8256
FACSIMILE: (213) 481-2739
E-MAIL ADDRESS: jfielding@dph.lacounty.gov

EXHIBIT F

**CONTRACTOR'S ADMINISTRATION
FOR
CHOI SYSTEM SERVICES**

CONTRACT NO. _____

CONTRACTOR’S PROJECT MANAGER:

NAME: _____

TITLE: _____

ADDRESS: _____

TELEPHONE: (xxx) xxx-xxxx _____

TELEPHONE: (xxx) xxx-xxxx _____

E-MAIL ADDRESS: email@company. com _____

CONTRACTOR’S EXECUTIVE:

NAME: _____

TITLE: _____

ADDRESS: _____

TELEPHONE: (xxx) xxx-xxxx _____

TELEPHONE: (xxx) xxx-xxxx _____

E-MAIL ADDRESS: email@company. com _____

EXHIBIT G
ACKNOWLEDGMENT, CONFIDENTIALITY
AND
ASSIGNMENT AGREEMENT
FOR
CHOI SYSTEM SERVICES

EXHIBIT G
ACKNOWLEDGMENT, CONFIDENTIALITY AND ASSIGNMENT
AGREEMENT

PROJECT NAME _____

CONTRACTOR/EMPLOYER NAME _____

LOS ANGELES COUNTY AGREEMENT NAME/NUMBER _____

GENERAL INFORMATION

The organization identified above (“Contractor”) is under contract (“Contract”) to provide certain services (“Services”) to the County of Los Angeles (“County”). County requires each employee of this Contractor performing services under this Contract to understand his/her obligations with respect to the personal and proprietary data with which he/she will be in contact, and to acknowledge such obligations by executing this Employee Acknowledgment, Confidentiality and Assignment Agreement (“Agreement”).

EMPLOYEE STATUS ACKNOWLEDGMENT

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

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

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

CONFIDENTIALITY AGREEMENT

My work may be concerned with services provided by County, and, therefore I may have access to confidential data and information pertaining to private individuals and/or entities receiving such services. I may also have access to proprietary information belonging to other organizations doing business with County. County has a legal obligation to keep confidential all such data and information in its possession, especially data and information concerning health, criminal and welfare recipient records. I understand that, by virtue of my involvement in County work, I too must protect the confidentiality of such data and information. I understand that I must sign this Agreement to be eligible to perform work for my employer under the County Contract. I have read this Agreement and have taken due time to consider it prior to signing.

I agree not to disclose to, nor reproduce for the benefit of, any unauthorized person any data or information obtained while performing work under the above-referenced Contract between my employer and County. I agree to forward all requests for disclosure or copying of any such data or information in my possession or care to my immediate supervisor. The parties hereby acknowledge and agree that no obligation of confidentiality applies to residual knowledge learned (such as ideas, concepts know-how or techniques) and experience gained by me as a result of performing the Services. In addition, nothing herein shall prevent me or Contractor from providing to others similar services to the Services, subject to any obligations of confidentiality.

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

I agree to report to my immediate supervisor any and all unauthorized disclosures or copying of confidential or proprietary data or information, whether accidental or intentional, and whether by myself and/or by any other person, of which I become aware. I agree to return all confidential data, information and materials to my immediate supervisor upon completion of the above-referenced Contract, or termination of my employment with my employer, whichever occurs first.

ASSIGNMENT OF PROPRIETARY RIGHTS

All County Materials (as defined in the Base Contract of the Contract) shall belong exclusively to County whether or not fixed in a tangible medium of expression. Without limiting the foregoing, to the maximum extent permitted under applicable law, all County Materials shall be deemed to be "works made for hire" under the United States Copyright Act, and County shall be deemed to be the author thereof.

If and to the extent any County Materials are determined not to constitute "works made for hire", or if any rights in the County Materials do not accrue to County as a work made for hire, Contractor agrees to ensure that all right, title and interest in such County Materials, including but not limited to all copyrights, patents, trade secret rights and other proprietary rights in or relating to the County Materials, are irrevocably assigned and transferred to County to the maximum extent permitted by law all. Without limiting the foregoing, Contractor agrees to ensure that (i) all economic rights to the County Materials, 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 County Materials, are assigned and transferred to County; (ii) County is entitled to any and all modifications, uses, publications and other exploitation of the County Materials without consequences; and (iii) County obtains United States or foreign letters patent, copyright registrations and other proprietary rights covering inventions and original works of authorship in the County Materials.

EXHIBIT G – ACKNOWLEDGMENT, CONFIDENTIALITY AND ASSIGNMENT AGREEMENT

I agree, and authorize the above-referenced Contractor, to execute all necessary documents and to perform all other acts in order to assign any and all of my, or the above-referenced Contractor's, right, title and interest in the County Materials to County in accordance with the Base Contract.

I expressly acknowledge and agree that I wish to remain anonymous and not to have my name or any pseudonyms used in connection with any County Materials, goods or services I provide under this Agreement or the above referenced Contract.

I acknowledge that violation of this Agreement may cause irreparable harm to County, which may not be compensated by monetary damages, and may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal and equitable redress, including, without limitation, injunctive relief.

SIGNED: _____ DATE: ____/____/____

PRINTED: _____ POSITION: _____

EXHIBIT H

**JURY SERVICE ORDINANCE
FOR
CHOI SYSTEM SERVICES**

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

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

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

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

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

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

2.203.040 Contractor Jury Service Policy.

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

2.203.050 Other Provisions.

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

2.203.060 Enforcement and Remedies.

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

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

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

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

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

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

2.203.090. Severability.

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

EXHIBIT I
SAFELY SURRENDERED BABY LAW
FOR
CHOI SYSTEM SERVICES

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely 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?

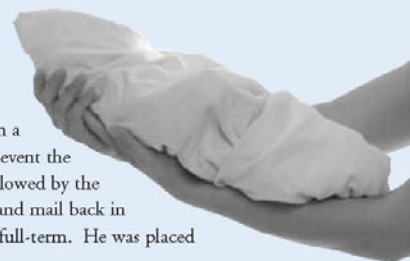
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

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.



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 Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



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 permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

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 brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes 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 temprano 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 brazaletes 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 J

**DEFAULTED PROPERTY TAX REDUCTION
PROGRAM ORDINANCE**

FOR

CHOI SYSTEM SERVICES

Title 2 ADMINISTRATION
Chapter 2.206
DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

Title 2 ADMINISTRATION
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2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

- A. This chapter shall not apply to the following contracts:
 - 1. Chief Executive Office delegated authority agreements under \$50,000;
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
 - 3. A purchase made through a state or federal contract;
 - 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
 - 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
 - 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
 - 7. Program agreements that utilize Board of Supervisors' discretionary funds;
 - 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;

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9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
 10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)

EXHIBIT K
BUSINESS ASSOCIATE AGREEMENT
FOR
CHOI SYSTEM SERVICES

TO BE DETERMINED

EXHIBIT K

BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (“HIPAA”)

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the “HIPAA Rules”).

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement (“Business Associate Agreement”) between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. Definitions

- 1.1 “Breach” has the same meaning as the term “breach” at 45 C.F.R. § 164.402.
- 1.2 “Business Associate” has the same meaning as the term “business associate” at 45 C.F.R. § 160.103. For the convenience of the parties, a “business associate” is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A “business associate” also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement “Business Associate” shall mean Contractor.
- 1.3 “Covered Entity” has the same meaning as the term “covered entity” at 45 C.F.R. § 160.103, and in reference to the party to this Business Associate Agreement, “Covered Entity” shall mean County.
- 1.4 “Data Aggregation” has the same meaning as the term “data aggregation” at 45 C.F.R. § 164.501.

- 1.5 “De-identification” refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 “Designated Record Set” has the same meaning as the term “designated record set” at 45 C.F.R. § 164.501.
- 1.7 “Disclose” and “Disclosure” mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate’s internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 “Electronic Health Record” means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 “Electronic Media” has the same meaning as the term “electronic media” at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 “Electronic Protected Health Information” has the same meaning as the term “electronic protected health information” at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.
- 1.11 “Health Care Operations” has the same meaning as the term “health care operations” at 45 C.F.R. § 164.501.
- 1.12 “Individual” has the same meaning as the term “individual” at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 “Law Enforcement Official” has the same meaning as the term “law enforcement official” at 45 C.F.R. § 164.103.
- 1.14 “Minimum Necessary” refers to the minimum necessary standard at 45 C.F.R. § 162.502(b).
- 1.15 “Protected Health Information” has the same meaning as the term “protected health information” at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental

health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. “Protected Health Information” includes Electronic Protected Health Information.

- 1.16 “Required by Law” “ has the same meaning as the term “required by law” at 45 C.F.R. § 164.103.
- 1.17 “Secretary” has the same meaning as the term “secretary” at 45 C.F.R. § 160.103
- 1.18 “Security Incident” has the same meaning as the term “security incident” at 45 C.F.R. § 164.304.
- 1.19 “Services” means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor’s status as a Business Associate.
- 1.20 “Subcontractor” has the same meaning as the term “subcontractor” at 45 C.F.R. § 160.103.
- 1.21 “Unsecured Protected Health Information” has the same meaning as the term “unsecured protected health information” at 45 C.F.R. § 164.402.
- 1.22 “Use” or “Uses” means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations. (See 45 C.F.R § 164.103.)

Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the applicable Covered Entity’s applicable Minimum Necessary policies and procedures.

- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.
- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
 - 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

- 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
- 5.1.3 Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
- 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;
 - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
 - (d) The name and contact information for a person highly knowledge of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach
- 5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief HIPAA Privacy Officer at: Chief HIPAA Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012, HIPAA@auditor.lacounty.gov**, that includes, to the extent possible:
- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;

- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.

5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.

5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format

requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
- 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
- (a) The date of the Disclosure;
 - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
 - (c) A brief description of the Protected Health Information Disclosed; and
 - (d) A brief statement of the purpose of the Disclosure.
- 9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.
- 9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528
- 9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.
 - 13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.
 - 13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:
 - (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
 - (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
 - (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
 - (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.
- 13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.
- 13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

14. INDEMNIFICATION

- 14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.
- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14 and 18 shall survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.
- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected

Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.

- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.
- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION AND EXAMINATION

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.
- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase

Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Change Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Office of the CIO
CIO Analysis

NUMBER: CA 14-02	DATE: 2/26/2014
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**APPROVAL TO EXECUTE A NEW CONTRACT WITH CODAI, INC. FOR
TECHNICAL APPLICATION DEVELOPMENT SERVICES
EFFECTIVE UPON EXECUTION THROUGH MARCH 10, 2017**

RECOMMENDATION:

- Approve Approve with Modification Disapprove

CONTRACT TYPE:

- New Contract Sole Source
 Amendment to Contract #: Enter contract #. Other: Describe contract type.

CONTRACT COMPONENTS:

- Software Hardware
 Telecommunications Professional Services

SUMMARY:

Department Executive Sponsor: Jonathan E. Fielding, M.D., MPH, Director and Health Officer,
Department of Public Health

Description: Board Contract with Codai, Inc., for application development, maintenance, and support services for DPH's Children's Health Outreach Initiative (CHOI) System

Contract Amount: \$320,000

Funding Source: Fully funded by First 5 LA and Medi-Cal Administrative Activities (MAA) reimbursement. No net County costs will be incurred.

- Legislative or Regulatory Mandate Subvened/Grant Funded: 100 %

Strategic and Business Analysis

PROJECT GOALS AND OBJECTIVES:

Development of the CHOI System began back in early 2002 and was first put into live production in 2003. In 2011, it was determined the system needed restructuring to adapt to significant increases in the amount of data and number of users being accommodated.

In 2013, Codai, Inc., was selected as the Contract vendor under a competitively bid ITSSMA Work Order to remediate some of the system's issues and to provide additional functionality to the CHOI System, with much greater success than had previously been realized. This Contract extends Codai as the Contractor, who will continue to provide application development, maintenance and support services over the next three years. Extending Codai under an ITSSMA amendment was no longer an option, as newly adopted restrictions under the ITSSMA preclude contractors from

working on any single project longer than 12 months. Hence the Department of Public Health's (DPH) decision to pursue a Board contract in order to continue to employ Codai on this very critical project. To date, DPH has paid this Contractor approximately \$180,000 since January of 2013 for its work on the CHOI System project. This Contract will add an additional \$320,000 to that amount over the next three years, for a total of \$500,000 being paid to this Contractor over the approximate four-year period of work on this project. Additionally, the department is requesting delegated authority to increase the maximum Contract Sum by a maximum of \$20,000 in pool dollars over the entire 3-year term of the Contract for the provision of optional services, as necessary, subject to review and approval by County Counsel and the Chief Information Officer, together with prior notification to your Board and the Chief Executive Office.

A very comprehensive and detailed Statement of Work has been developed for this three-year project, clearly defining DPH's expectations, and the project's timelines, due dates, and milestones. The application development services component of this Contract is structured on a fixed-price basis, thereby, ensuring that the desired outcomes are successfully achieved before payment is made to the Contractor. The maintenance and support services are clearly defined, as well, and structured on a time and materials, as needed basis, allowing DPH to control expenditures and establish an absolute maximum Contract Sum over the three-year term; an amount that, in all likelihood, will not be extinguished to its maximum extent.

BUSINESS DRIVERS:

Data entered into and reports generated by the CHOI System are a mandated function to track and support Children's Health Outreach, Enrollment, Utilization and Retention (CHOEUR) services, required by the entity that provides much of the funding for this system, First 5 LA. As such, it is imperative that the system be fully functional and be able to expand to meet increases in data input, increasing reporting requirement, as well as the expanding number of agencies using the system. Currently, there are 19 agencies that are mandated to use the system to report client health information.

As DPH does not currently have the requisite resources and/or skills in-house to perform the services necessary to accomplish the work that needs to be done to expand and support the CHOI System, the only option has been to acquire those capabilities from the outside. This Contract is structured with the expectation that by the end of the three-year term, DPH will have successfully acquired the resources and skill sets necessary to take over complete support and maintenance of the CHOI System.

PROJECT ORGANIZATION:

While DPH has had its challenges in recruiting and retaining qualified technical resources since its separation from the Department of Health Services in 2006, it has managed since then to establish one of the most successful information technology (IT) project governance models in the County. Every IT project that evolves within DPH is carefully scrutinized and vetted by DPH's executive-level IT governance committee (IT Advisory Board) before it is approved to move forward. DPH also has a formal Project Management Office (PMO) that oversees all of the activities relating to the establishment and ongoing operations of each of its approved IT projects.

The second phase of this project was reviewed and approved by DPH's IT Advisory Board in late 2012. The CHOI System is required to provide monthly status updates to the PMO, and DPH's Information Systems Division (PHIS) provides technical oversight and periodic review of the Contractor's work product to ensure adherence to coding guidelines and security standards.

PERFORMANCE METRICS:

As mentioned above, a very detailed Statement of Work has been developed for this project, with deliverables and milestones being well defined and specifically tied to pay points.

As relates to the fixed-price application development services, the following key measurable objectives have been established:

- Development and delivery of required case management reports;
- Development and delivery of printable hardcopy forms reports for archiving and use by staff to track productivity;
- Development and delivery of an ad hoc reporting system; and
- Development and delivery of an administrative page to track ad hoc agency objectives and goals.

Time and material-based maintenance and support deliverables include:

- One-time clean-up of the CHOI System's LAPH SVN structure;
- Creation of Package and Deployment server configurations;
- Identification and correction of currently unknown system errors, failures and/or faults;
- Providing assistance to DPH's IT staff with system deployments and other system support; and
- Develop system enhancements in accordance with approved CHOI System user requests and program requirements.

	<p>STRATEGIC AND BUSINESS ALIGNMENT: This project aligns strategically with Goal 3 of the County’s Strategic Plan, Integrated Services Delivery, and is clearly articulated in DPH’s Business Automation Plan (BAP).</p> <hr/> <p>PROJECT APPROACH: Since its inception, the CHOI System has been an in-house developed computer system, as there was no known computer system in operation at that time that performed the same or similar functions as what was required. This project merely continues the expansion of functionality and ongoing maintenance and support of the system initially developed in-house.</p> <hr/> <p>ALTERNATIVES ANALYZED: As there are still no known Commercial Off-the-Shelf (COTS) systems in existence that provide the required functionality, DPH’s only option is to continue to enhance, improve, and support this system using the most qualified resources and up-to-date technologies available. No other alternatives were considered.</p>
<p><i>Technical Analysis</i></p>	<p>ANALYSIS OF PROPOSED IT SOLUTION: The CHOI System is a computer system written in ASP.NET MVC 4.0 and leverages a number of technologies including the new ASP.NET Razor view engine, Entity Framework 6, TypeScript, Angular JS, jQuery, LESS, and Service Stack v.3.</p> <p>The system is currently running on the Windows Server 2008 R2 operating system using Microsoft’s .NET framework 4.5. The database is Microsoft SQL Server 2008 R2. The system was developed using Visual Studio 2012 and SQL Server Management Studio 2008 toolsets and the programming languages employed for the CHOI System development include C#, JavaScript and T-SQL languages.</p> <p>The CHOI System is currently being hosted on 2 Dell x86 servers in the Internal Services Department’s (ISD) eCloud virtual server environment at the County Data Center in Downey with appropriate back-up and disaster recovery protocols and procedures in place. One Intranet server and one DMZ server are currently being hosted by ISD.</p>

Financial Analysis

BUDGET:

Contract costs	
One-time costs:	
Services	\$ 140,000 (Fixed Price)
Ongoing annual costs:	
Services	\$ 180,000 (Time & Materials @ \$98/hr.)
Sub-total Contract Costs:	\$ 320,000
Other County costs:	
One-time costs:	
Hardware/Software	\$ 0 – See Note 1 below
Sub-total one-time County costs:	\$ 0
Ongoing annual costs:	
Services (ISD)	\$ 27,552 – See Note 2 below
Services (Contractor)	\$ 120,000 – See Note 3 below
County staff (existing).....	\$ 15,136 – See Note 4 below
County staff (new)	\$ 58,039 – See Note 5 below
Sub-total ongoing County costs:	\$ 220,727
Total one-time costs:	\$ 140,000
Total ongoing annual costs:	\$ 400,727

Note 1 - The CHOI System incurred a one-time hosting fee in the amount of \$32,521 back in 2012 to set up 2 servers with SQL 2008 and obtain an SSL certificate. There is no new equipment or software license required to maintain the CHOI System resulting from this engagement.

Note 2 - The CHOI System currently incurs an annual hosting fee of \$27,552 to ISD. The memory and storage originally allocated to the CHOI System appear to be sufficient to support the program’s objectives through 2015.

Note 3 – Earlier this year, the CHOI program also established a contract with Computer Therapy LLC in the amount of \$120,000/year for two years, for analysis, testing, support, and training services of the CHOI System. Although that cost is not directly related to this engagement with Codai, the Codai Contract complements the Computer Therapy Contract and is, therefore, being mentioned as part of this Analysis. Both contracts are required to complete the work on the CHOI System and support its production. There is no overlap in what is being required of the vendors under the two separate contracts.

Note 4 – Current DPH IT staff expenditures on the CHOI System:

- Project Manager expenses: \$9,865 a year (120 hours per year)
- Development Support: \$5,271 (60 hours per year)

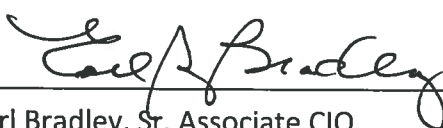

Total Current IT staff expenditures: \$15,136 per year

Note 5 - Future projected IT staff expenditures on the CHOI System:

- Project Manager: \$14,797 a year (180 hours per year)
- Development Support: \$5,271 (60 hours per year)
- Application Developer: \$19,283 a year (320 hours per year)
- Quality Assurance: \$18,688 (60 hours per year)

Total Future IT staff expenditures: \$58,039 per year

All funding necessary for this project is being provided by First 5 LA and supplemented by Medi-Cal Administrative Activities (MAA) reimbursements. No County General Fund dollars will be used to support this project.

<p>Risk Analysis</p>	<p>RISK MITIGATION:</p> <p>Because this project complies in every way with the County’s preferred technology standards and guidelines, as well as the highly structured nature of project oversight being provided by DPH, and the Contractor’s thorough knowledge and understanding of the CHOI System, coupled with the high quality of work it has performed on this system to date, any risks of this project not being successful are minimal.</p> <p>Use of Protected Health Information (PHI)</p> <p>The CHOI System is used to help families enroll in various health insurance or benefit programs. Other than demographics, there is no specific data collected that relates to or specifically denotes the health status of the children or any family members. However, the enrollment of children in some benefit programs (e.g., health benefit programs directed at children with particular disabilities) may indirectly imply the child has any one of a number of specific conditions, which could potentially classify a small portion of the data in the system as PHI.</p> <p>Although the CHOI System does capture and maintain some PHI, it is currently being hosted by ISD behind the County’s secure firewall, consistent with the County’s information security requirements. DPH is currently using Hewlett Packard’s Fortify security software to conduct scans for system vulnerabilities during development. Prior to production release, the CHOI System will be scanned using a tool called Cenzic to assess the system’s vulnerability to hacker attacks. DPH requires the Contractor to address any and all identified risks prior to release of the system into production.</p> <p>This information was shared with and reviewed by the County’s Chief Information Security Officer (CISO), who did not identify any IT security or privacy concerns or issues.</p>
<p>CIO Approval</p>	<p>PREPARED BY:</p> <p> _____ Earl Bradley, Sr. Associate CIO</p> <p style="text-align: right;">2-27-14 _____ Date</p> <hr/> <p>APPROVED:</p> <p> _____ Richard Sanchez, Chief Information Officer</p> <p style="text-align: right;">2-27-14 _____ Date</p>

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at <http://ciointranet.lacounty.gov/>