



**DEPARTMENT OF
CHILDREN & FAMILY SERVICES**

**INVITATION FOR BIDS (IFB) # 24-0106
FOR
RAPID ENGAGEMENT AND HOUSING
PROGRAM SERVICE**

**Prepared By
County of Los Angeles**

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
1.0 SOLICITATION INFORMATION	1
2.0 GENERAL INFORMATION	2
2.1 Purpose.....	2
2.2 Overview of Solicitation Document.....	2
2.3 Terms and Definitions	3
2.4 Anticipated Contract Term.....	3
2.5 Contract Rates	3
2.6 Days of Operation	3
2.7 Indemnification and Insurance	3
3.0 MINIMUM MANDATORY REQUIREMENTS.....	3
4.0 COUNTY'S RIGHTS AND RESPONSIBILITIES	4
4.1 County's Right to Amend Invitation for Bids (IFB)	4
4.2 Final Contract Award by the Board of Supervisors.....	4
4.3 County Option to Reject Bids	4
4.4 Background and Security Investigations	4
5.0 NOTIFICATION TO BIDDERS	5
5.1 Public Records Act.....	5
5.2 Contact with County Personnel.....	5
5.3 Mandatory Requirement to Register on County's WebVen.....	6
5.4 Protest Process.....	6
5.5 Conflict of Interest	7
5.6 Determination of Bidder Responsibility	7
5.7 Bidder Debarment.....	8
5.8 Improper Considerations.....	8
5.9 County Lobbyist Ordinance	9
5.10 Consideration of GAIN/START Participants for Employment.....	9
5.11 Jury Service Program.....	10
5.12 Pending Acquisitions/Mergers by Bidding Company.....	10
5.13 Charitable Contributions Compliance.....	11
5.14 Defaulted Property Tax Reduction Program.....	11

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
5.15 County's Commitment to Zero Tolerance Policy on Human Trafficking	12
5.16 Default Method of Payment: Direct Deposit or Electronic Funds Transfer (EFT)	12
5.17 Bidder's Acknowledgement of County's Commitment to Fair Chance Employment Hiring Practices	13
5.18 Contractor Alert Reporting Database	13
5.19 Prohibition from Participation in Future Solicitation(s)	14
5.20 Community Business Enterprise (CBE) Participation	14
5.21 Contribution and Agent Declaration	14
6.0 COUNTY'S PREFERENCE PROGRAMS	15
6.1 Overview of County's Preference Programs	15
6.2 Local Small Business Enterprise (LSBE) Preference Program	16
6.3 Social Enterprise (SE) Preference Program	16
6.4 Disabled Veteran Business Enterprise (DVBE) Preference Program	16
6.5 Preference Program Enterprises (PPEs) - Prompt Payment Program	17
7.0 INVITATION FOR BIDS (IFB) REQUIREMENTS	17
7.1 County Responsibility	17
7.2 Truth and Accuracy of Representations	17
7.3 Bidders' Questions	17
7.4 Bidders' Conference	17
7.5 Preparation of the Bid	18
7.6 Bid Review Process	18
7.7 Electronic Bid Submission	22
8.0 SELECTION PROCESS OVERVIEW	23
8.1 Adherence to Minimum Mandatory Requirements	23
8.2 Review Process	23
9.0 PROTEST PROCESS OVERVIEW	23
9.1 Solicitation Requirements Review	23
9.2 Disqualification Review	24
9.3 Proposed Contractor Selection Review (PCSR)	25
9.4 County Independent Review (CIR)	26

TABLE OF CONTENTS

PARAGRAPH

PAGE

APPENDICES

- A Sample Contract** with Statement of Work (SOW) identifies the terms and conditions in the contract.
- B Required Forms:** Forms that must be completed and included in the bid.
- C Solicitation Requirements Review (SRR) Request:** Transmittal form sent to Department requesting a Solicitation Requirements Review.
- D Background and Resources: California Charities Regulation:** An information sheet intended to assist nonprofit agencies with compliance with SB 1262 - the Nonprofit Integrity Act of 2004 and identify available resources. (Charitable Contributions Compliance is required for all Social Services Departments. Additionally, if the services being solicited historically receive responses from nonprofit agencies, this appendix should also be included.)

1.0 SOLICITATION INFORMATION

IFB Release Date	November 24, 2025
IFB Contact	DCFS Contract Analyst, via email: RapidHousingIFB240-106@dcfs.lacounty.gov
Solicitation Requirements Review (SRR) Request Due	December 10, 2025, by Noon, 12:00 pm (Pacific Standard Time)
Virtual Bidder's Conference	December 15, 2025, 10:00 am (Pacific Standard Time)
Written Questions Due	December 15, 2025, by 4:00 pm (Pacific Standard Time)
Questions and Answers Released via Addendum	On or about December 22, 2025
Bids Due	January 7, 2026, by Noon, 12:00 pm (Pacific Standard Time)
Anticipated Contract Term	July 1, 2026, to June 30, 2027

2.0 GENERAL INFORMATION

2.1 Purpose

The County of Los Angeles (County) Department of Children & Family Services (Department) is issuing this Invitation for Bids (IFB) to solicit bids for a Contract with an organization capable of providing Rapid Engagement and Housing services. The County seeks to collaborate with its community partners to enhance the capacity of housing and supportive services in order to improve the lives of Non-Minor Dependents, ages 18 to 21 in the Supervised Independent Living Placement (SILP) program. This is a countywide program serving all eight Service Planning Areas (SPAs).

Non-Minor Dependents often lack the support and resources to successfully transition into adulthood. They are at significantly elevated risk of exploitation/victimization, substance abuse, emotional disorders, physical health concerns, unemployment and homelessness. Safe and reliable housing, with comprehensive support and resources focused on emotional wellness, positive relationships, educational attainment, life-skills, and college/career goals, are critical building blocks for success as an adult.

2.2 Overview of Solicitation Document

This Invitation for Bids (IFB):

- 2.2.1 Specifies the Bidder's minimum requirements, provides information regarding some of the requirements of the Contract, and explains the solicitation process.
- 2.2.2 Contains instructions to Bidders on how to prepare and submit their Bid.
- 2.2.3 Explains how the Bids will be reviewed and selected.
- 2.2.4 The following Appendices are included in the IFB:
 - A Sample Contract** with Statement of Work (SOW) identifies the terms and conditions in the contract.
 - B Required Forms:** Forms contained in this section must be completed and included in the Bid.
 - C Solicitation Requirements Review (SRR) Request:** Transmittal form sent to department requesting a Solicitation Requirements Review.
 - D Background and Resources: California Charities Regulation:** An information sheet intended to assist Non-profit agencies with compliance with SB 1262 – the Nonprofit Integrity Act of 2004 and identify available resources. (Charitable Contributions Compliance is required for all Social Services Departments. Additionally, if the services being solicited historically receive

responses from nonprofit agencies, this appendix should also be included.)

2.3 Terms and Definitions

Throughout this IFB, references are made to certain persons, groups, or departments/agencies. For convenience, a description of specific definitions can be found in Appendix A (Sample Contract), section 2.0 (Definitions).

2.4 Anticipated Contract Term

The Contract term is anticipated to be for a period of one (1) year. The Contract is anticipated to commence on July 1, 2026, or the date of execution, whichever is later. There is an option to extend for two (2) additional one (1) year periods, from July 1, 2027, through June 30, 2029. Once approval is obtained from the Board of Supervisors, the DCFS Director or his/her designee has the authority to execute the optional extension periods.

2.5 Contract Rates

The Contractor's rates will remain firm and fixed for the term of the Contract.

The Maximum Annual Contract amount of this contract will be \$619,000, financed with 100 percent County funds. Please note that the amount above is subject to change based on funding availability.

2.6 Days of Operation

The Contractor will be required to provide Rapid Engagement and Housing services Monday through Friday. Contractor will adhere to the following hours of operation: Monday through Friday from 8:00 A.M. to 5:00 P.M. and non-traditional hours Monday through Friday 5:00 P.M. to 8:00 P.M. The Contractor is not required to provide services on [County-recognized holidays](#).

2.7 Indemnification and Insurance

Contractor will be required to comply with the indemnification provisions contained in Appendix A (Sample Contract), Paragraph 8.23 (Indemnification). The Contractor must procure, maintain, and provide to the County proof of insurance coverage for all the programs of insurance along with associated amounts specified in Appendix A (Sample Contract), Paragraphs 8.24 (General Provisions for all Insurance Coverage) and 8.25 (Insurance Coverage).

3.0 MINIMUM MANDATORY REQUIREMENTS

Interested and qualified Bidders that can demonstrate their ability to successfully provide the required services outlined in Exhibit A (Statement of Work and Attachments) of Appendix A (Sample Contract), are invited to submit bids, provided they meet the following minimum mandatory requirements at the time of bid submission.

- 3.1** If Bidder's compliance with a County contract has been reviewed by the Department of the Auditor-Controller (A-C) within the last 10 years, Bidder must not have unresolved questioned costs identified by the A-C, in an amount over

\$100,000, that are confirmed to be disallowed costs by the contracting County department, and remain unpaid for a period of six months or more from the date of the A-C Report, unless such disallowed costs are the subject of current good faith negotiations to resolve the disallowed costs, in the opinion of the County

- 3.2** Bidder must have five (5) years' experience, within the last eight (8) years, providing housing navigation and supportive services as outlined in Exhibit A (Statement of Work and Attachments) of Appendix A (Sample Contract).
- 3.3** Bidder must state their willingness to establish an administrative office or branch office in Los Angeles County by the effective date of the Contract.
- 3.4** Bid must be submitted by the bid due date and time identified in Paragraph 1.0 (Solicitation Information).

Bidder may not use subcontractor experience to meet the Minimum Mandatory Requirements list above.

4.0 COUNTY'S RIGHTS AND RESPONSIBILITIES

4.1 County's Right to Amend Invitation for Bids (IFB)

The County has the right to amend the IFB by written addendum. The County is responsible only for that which is expressly stated in the solicitation document and any authorized written addenda thereto. Such addendum will be made available to each person or organization which County records indicate has received this IFB. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the Bid not being considered, as determined in the sole discretion of the County. The County is not responsible for and will not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf.

4.2 Final Contract Award by the Board of Supervisors

Notwithstanding a recommendation of a Department, agency, individual, or other, the Board retains the right to exercise its judgment concerning the selection of a bid and the terms of any resultant agreement, and to determine which bid best serves the interests of the County. The Board is the ultimate decision-making body and makes the final determinations necessary to arrive at a decision to award, or not award, a contract.

4.3 County Option to Reject Bids

The County may, at its sole discretion, reject any or all Bids submitted in response to this solicitation. The County will not be liable for any costs incurred by a Bidder in connection with the preparation and submission of any Bid. The County reserves the right to waive inconsequential disparities in a submitted Bid.

4.4 Background and Security Investigations

Background and security investigations of Contractor's staff may be required at the discretion of the County as a condition of beginning and continuing work under any

resulting contract. The cost of background checks is the responsibility of the Bidder.

5.0 NOTIFICATION TO BIDDERS

5.1 Public Records Act

5.1.1 Responses to this solicitation will become the exclusive property of the County. Absent extraordinary circumstances, the recommended Bidder's bid will become a matter of public record when (1) contract negotiations are complete; (2) the Department receives a letter from the recommended Bidder's authorized officer that the negotiated contract is the firm offer of the recommended Bidder; and (3) the Department releases a copy of the recommended Bidder's bid in response to a Notice of Intent to Request a Proposed Contractor Selection under Board Policy No. 5.055 ([Services Contract Solicitation Protest](#)).

Notwithstanding the above, absent extraordinary circumstances, all bids will become a matter of public record when the Department's Bidder recommendation appears on the Board agenda.

Exceptions to disclosure are those parts or portions of all bids that are justifiably defined as business or trade secrets, and plainly marked by the Bidder as "Trade Secret," "Confidential," or "Proprietary."

5.1.2 The County will not, in any way, be liable or responsible for the disclosure of any such record or any parts thereof, if disclosure is required or permitted under the California Public Records Act or otherwise by law. A blanket statement of confidentiality or the marking of each page of the bid as confidential will not be deemed sufficient notice of exception. The Bidders must specifically label only those provisions of their respective bid which are "Trade Secrets," "Confidential," or "Proprietary" in nature

5.1.3 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "Confidential", "Trade Secrets", or "Proprietary", bidder agrees to defend and indemnify County from all costs and expenses, including reasonable attorneys' fees, incurred in connection with any action, proceedings, or liability arising in connection with the Public Records Act request.

5.2 Contact with County Personnel

Any contact regarding this IFB or any matter relating thereto must be in writing and e-mailed to:

Department of Children and Family Services
Contracts Administration Division
Attention: Jeffrey Martinez-Flores, Contract Analyst

Email: RapidHousingIFB24-0106@dcfs.lacounty.gov

If it is discovered that Bidder contacted and received information from any County personnel, other than the person specified above, regarding this solicitation, County, in its sole determination, may disqualify their bid from further consideration.

Bidders are encouraged to monitor the DCFS website at:

<https://contracts.dcms.lacounty.gov/>

And/or:

The Los Angeles County website at:

<https://camisvr.co.la.ca.us/LACoBids/BidLookUp/OpenBidList/>

For additional information throughout the open period of this solicitation. Prospective bidders assume all risks relying on information retrieved from unaffiliated (not posted by the County of Los Angeles) third-party websites as the information may be incomplete or inaccurate.

5.3 Mandatory Requirement to Register on County's WebVen

Prior to contract award, all potential Contractors must register in the County's WebVen. The WebVen contains the Bidder's business profile and identifies the goods/services the business provides. Registration can be accomplished online via the Internet by accessing the County's home page at <http://camisvr.co.la.ca.us/webven/>.

5.4 Protest Process

5.4.1 Under Board Policy No. 5.055 ([Services Contract Solicitation Protest](#)), any prospective Bidder may request a review of the requirements under a solicitation for a Board-approved services contract, as described in Section 5.4.3 below. Additionally, any actual Bidder may request a review of a disqualification or of a proposed contract award under such solicitation as described respectively in the Section below. It is the responsibility of the Bidder challenging the decision of a County department committed a sufficiently material error in the solicitation process to justify invalidation of a proposed contract award.

5.4.2 Throughout the review process, the County has no obligation to delay or otherwise postpone an award of contract based on a Bidder protest. In all cases, the County reserves the right to make an award when it is determined to be in the best interest of the County of Los Angeles to do so.

5.4.3 Grounds for Review

Unless state or federal statutes or regulations otherwise provide, the grounds for review of any Departmental determination or action should be limited to the following:

- 5.4.3.1** Review of Solicitation Requirements (Reference Paragraph 9.1)
- 5.4.3.2** Review of a Disqualified Bid (Reference Paragraph 9.2)
- 5.4.3.3** Review of Department's Proposed Contractor Selection (Reference Paragraph 9.3)
- 5.4.3.4** County Independent Review (referenced in Paragraph 9.4)

5.5 Conflict of Interest

No County employee whose position in the County enables him/her to influence the selection of a Contractor for this IFB, or any competing IFB, nor any spouse of economic dependent of such employees, will be employed in any capacity by a Bidder or have any other direct or indirect financial interest in the selection of a Contractor. Bidder must certify that he/she is aware of and has read [Section 2.180.010 of the Los Angeles County Code](#) as stated in Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms).

5.6 Determination of Bidder Responsibility

- 5.6.1** A responsible Bidder is a Bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Bidders.
- 5.6.2** Bidders are hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), the County may determine whether the Bidder is responsible based on a review of the Bidder's performance on any contracts, including but not limited to County contracts. Particular attention will be given to violations of labor laws related to employee compensation and benefits, and evidence of false claims made by the Bidder against public entities. Labor law violations which are the fault of the subcontractors and of which the Bidder had no knowledge will not be the basis of a determination that the Bidder is not responsible.
- 5.6.3** The County may declare a Bidder to be non-responsible for purposes of this Contract if the Board, in its discretion, finds that the Bidder has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Bidder's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or omission which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against the County or any other public entity.
- 5.6.4** If there is evidence that the apparent highest ranked Bidder may not be responsible, the Department will notify the Bidder in writing of the

evidence relating to the Bidder's responsibility, and its intention to recommend to the Board that the Bidder be found not responsible. The Department will provide the Bidder and/or the Bidder's representative with an opportunity to present evidence as to why the Bidder should be found to be responsible and to rebut evidence which is the basis for the Department's recommendation.

5.6.5 If the Bidder presents evidence in rebuttal to the Department, the Department will evaluate the merits of such evidence, and based on that evaluation, make a recommendation to the Board of Supervisors. The final decision concerning the responsibility of the Bidder will reside with the Board.

5.6.6 These terms will also apply to proposed Subcontractors of Bidders on County contracts.

5.7 Bidder Debarment

5.7.1 The Bidder is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), the County may debar the Bidder from bidding or proposing on, or being awarded, and/or performing work on other County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and the County may terminate any or all of the Bidder's existing contracts with County, if the Board finds, in its discretion, that the Bidder has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Bidder's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against the County or any other public entity. These terms will also apply to proposed Subcontractors of Bidders on County contracts.

5.7.2 A listing of Contractors that are currently on the Debarment List for Los Angeles County may be obtained on the following website: <https://doingbusiness.lacounty.gov/listing-of-contractors-debarred-in-los-angeles-county/>.

5.8 Improper Considerations

5.8.1 Attempt to Secure Favorable Treatment

It is improper for any County officer, employee, or agent to solicit consideration, in any form, from a Bidder with the implication, suggestion or statement that the Bidder's provision of the consideration may secure more favorable treatment for the Bidder in the award of a Contract or that the Bidder's failure to provide such consideration may negatively

affect the County's consideration of the Bidder's submission. A Bidder must not offer or give either directly or through an intermediary, consideration, in any form, to a County officer, employee, or agent for the purpose of securing favorable treatment with respect to the award of a Contract.

5.8.2 Notification to County

A Bidder must immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>. Failure to report such a solicitation may result in the Bidder's submission being eliminated from consideration.

5.8.3 Form of Improper Consideration

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

5.9 County Lobbyist Ordinance

The County has enacted an ordinance regulating the activities of persons who lobby County officials. This ordinance, referred to as the "Lobbyist Ordinance", defines a County Lobbyist and imposes certain registration requirements upon individuals meeting the definition. The complete text of the ordinance can be found in [County Code Chapter 2.160](#). In effect, each person, corporation or other entity that seeks a County permit, license, franchise or contract must certify compliance with the ordinance. As part of this solicitation process, it will be the responsibility of each Bidder to review the ordinance independently as the text of said ordinance is not contained within this IFB. Thereafter, each person, corporation or other entity submitting a response to this solicitation, must certify that each County Lobbyist, as defined by [Los Angeles County Code Section 2.160.010](#), retained by the Bidder is in full compliance with [Chapter 2.160 of the Los Angeles County Code](#) and each such County Lobbyist is not on the Executive Office's List of Terminated Registered Lobbyists.

5.10 Consideration of GAIN/START Participants for Employment

5.10.1 As a threshold requirement for consideration for contract award, Bidders must demonstrate a proven record of hiring participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) or Skills and Training to Achieve Readiness for Tomorrow (START) Programs or must attest to a willingness to consider GAIN/START participants for any future employment openings if the participants meet the minimum qualifications for that opening. Bidders must attest to a willingness to provide employed GAIN/START participants access to the Bidder's employee mentoring program, if

available, to assist these individuals in obtaining permanent employment and/or promotional opportunities.

- 5.10.2** Bidders who are unable to meet this requirement will not be considered for contract award. Bidders must complete and return Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms), along with their Bid.

5.11 Jury Service Program

- 5.11.1** The prospective contract is subject to the requirements of the County's Contractor Employee Jury Service Ordinance ("Jury Service Program") ([Los Angeles County Code, Chapter 2.203](#)). Prospective Contractors should carefully review the Jury Service Ordinance and Paragraph 8.8 (Compliance with County's Jury Service Program) of Appendix A (Sample Contract), both of which are incorporated by reference into and made a part of this IFB. The Jury Service Program applies to both Contractors and their Subcontractors.

Bids that fail to comply with the requirements of the Jury Service Program will be considered non-responsive and excluded from further consideration.

- 5.11.2** Contractor must certify compliance with County's Contractor Employee Jury Service Ordinance in Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms). If a Contractor does not fall within the Jury Service Program's definition of "Contractor" or if it meets any of the exceptions to the Jury Service Program, then the Contractor must so indicate in Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms), and include with its submission all necessary documentation to support the claim such as tax returns or a collective bargaining agreement, if applicable. Upon reviewing the Contractor's application, the County will determine, in its sole discretion, whether the Contractor falls within the definition of Contractor or meets any of the exceptions to the Jury Service Program. The County's decision will be final.

5.12 Pending Acquisitions/Mergers by Bidding Company

The Bidder must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Bidder is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers. This information must be provided by the Bidder in Exhibit 1 (Organization Questionnaire/Affidavit) of Appendix B (Required Forms). Failure of the Bidder to provide this information may eliminate its bid from any further consideration. Bidder will have a continuing obligation to notify the County and update any changes to its response in Exhibit

1 (Organization Questionnaire/Affidavit) of Appendix B (Required Forms) during the solicitation.

5.13 Charitable Contributions Compliance

5.13.1 California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates receiving and raising charitable contributions. Among other requirements, those subject to the Charitable Purposes Act must register with the Registry of Charitable Trusts, which is maintained by the California Attorney General's Office. The 2004 Nonprofit Integrity Act, as approved and codified in California Government Code, Sections [12580-12599.10](#), increased Charitable Purposes Act requirements. Prospective contractors should carefully read the Background and Resources: California Charities Regulation, Appendix D. These rules cover California public benefit corporations, unincorporated associations, and trustee entities and may include similar foreign corporations doing business or holding property in California. The Nonprofit Integrity Act contains substantive requirements affecting executive compensation, fund-raising practices and documentation. Charities with over two million dollars (\$2,000,000) of revenues (excluding funds that must be accounted for to a governmental entity) also have specific audit requirements.

5.13.2 All prospective Contractors must determine if they receive or raise charitable contributions which subject them to the Charitable Purposes Act and complete the Charitable Contributions Certification, Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms). A completed Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms) is a required part of any agreement with the County.

5.13.3 Prospective County contractors that do not complete Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms) as part of the solicitation process may, in the County's sole discretion, be disqualified from contract award. A County contractor that fails to comply with its obligations under the Charitable Purposes Act is subject to either contract termination or debarment proceedings or both. ([County Code Chapter 2.202](#)).

5.14 Defaulted Property Tax Reduction Program

5.14.1 The prospective contract is subject to the requirements of the County's Defaulted Property Tax Reduction Program ("Defaulted Tax Program") ([Los Angeles County Code, Chapter 2.206](#)). Prospective Contractors should reference the pertinent provisions in Paragraphs 8.51 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) and 8.52 (Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Tax Program) of Appendix A (Sample Contract), both of which are incorporated by reference into and

made a part of this solicitation. The Defaulted Tax Program applies to both Contractors and their Subcontractors.

5.14.2 Bidders will be required to certify that they are in full compliance with the provisions of the Defaulted Tax Program and must maintain compliance during the term of any contract that may be awarded pursuant to this solicitation or must certify that they are exempt from the Defaulted Tax Program by completing Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms). Failure to maintain compliance, or to timely cure defects, may be cause for termination of a contract or initiation of debarment proceedings against the non-compliance contractor ([Los Angeles County Code, Chapter 2.202](#)).

5.14.3 Bids that fail to comply with the certification requirements of the Defaulted Tax Program will be considered non-responsive and excluded from further consideration.

5.15 County's Commitment to Zero Tolerance Policy on Human Trafficking

5.15.1 On October 4, 2016, the County approved a motion taking significant steps to protect victims of human trafficking by establishing a zero tolerance policy on human trafficking. The policy prohibits contractors engaged in human trafficking from receiving contract awards or performing services under a County contract.

5.15.2 Contractors are required to complete Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms), certifying that they are in full compliance with the County's Zero Tolerance Policy on Human Trafficking provision as defined in Paragraph 8.54 (Compliance with County's Zero Tolerance Policy on Human Trafficking) of Appendix A (Sample Contract). Further, contractors are required to comply with the requirements under said provision for the term of any contract awarded pursuant to this solicitation.

5.16 Default Method of Payment: Direct Deposit or Electronic Funds Transfer (EFT)

5.16.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County will be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.16.2 Upon contract award or at the request of the A-C and/or the contracting department, the Contractor must submit a direct deposit authorization request with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record-keeping, and tax reporting requirements.

- 5.16.3** Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.
- 5.16.4** Upon contract award or at any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. The A-C, in consultation with the contracting department(s), will decide whether to approve exemption requests.
- 5.17 Bidder's Acknowledgement of County's Commitment to Fair Chance Employment Hiring Practices**
- 5.17.1** On May 29, 2018, the County approved a Fair Chance Employment Policy in an effort to remove job barriers for individuals with criminal records. The policy requires businesses that contract with the County to comply with fair chance employment hiring practices set forth in [California Government Code Section 12952](#). Additionally, on February 27, 2024, the County adopted Los Angeles County Code [Chapter 8.300](#) (Fair Chance Ordinance for Employers) to facilitate meaningful implementation of Fair Chance policies in the County and remove barriers to employment to ensure individuals with criminal records have fair and equitable access to opportunities for gainful employment.
- 5.17.2** Contractors are required to complete Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms), certifying that they, and their Subcontractors are in full compliance with [Section 12952](#) and [Chapter 8.300](#) of the Los Angeles County Code (Fair Chance Ordinance for Employers), as indicated in the Contract.
- 5.17.3** Further, contractors are required to comply with the requirements under [Section 12952](#) and Los Angeles County Code [Chapter 8.300](#) for the term of any contract awarded pursuant to this solicitation.
- 5.18 Contractor Alert Reporting Database**
- 5.18.1** The County maintains the Contractor Alert Reporting Database (CARD), which is used to track/monitor poorly performing contractors. When a County department identifies a significant performance/non-compliance issue(s) with a contractor, the department will provide notice to the contractor and will give the contractor an opportunity to correct the issue(s). If the contractor does not take any appropriate steps to correct the issue(s), the County department will enter the contractor, along with any other relevant information pertaining to the contractor's performance issue(s), into CARD.
- 5.18.2** The information entered into CARD can be accessed by all County departments, and will be used, along with any other relevant information not included in CARD, in determining bidder responsibility. If a department reviews this information and determines that a finding of

non-responsibility should be pursued, the department will adhere to the guidelines specified in the [Los Angeles County Code Chapter 2.202](#), and the County's [Implementation Procedures for Determinations of Contractor Non-Responsibility and Contractor Debarment](#).

5.19 Prohibition from Participation in Future Solicitation(s)

A Bidder, or a Contractor or its subsidiary or Subcontractor ("Bidder/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Bidder/Contractor has provided advice or consultation for the solicitation. A Bidder/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Bidder/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision will result in the disqualification of the Contractor/Bidder from participation in the County solicitation or the termination or cancellation of any resultant County contract. ([Los Angeles County Code, Chapter 2.202](#)).

5.20 Community Business Enterprise (CBE) Participation

The County has adopted a Community Business Enterprise (CBE) Program, which includes business enterprises certified as disadvantaged business enterprises disabled veteran-owned, minority-owned, women-owned, and lesbian, gay, bisexual, transgender, queer, and questioning-owned business types. The County has established a collective 25% participation goal for CBE certified firms, calculated on the eligible procurement dollars. The program maintains data on the types of businesses registered as CBEs and their utilization. The Bidder's CBE participation must be reflected in Exhibit 5 (Community Business Enterprise (CBE) Information) form in Appendix B (Required Forms).

All Bidders must document efforts it has taken to assure that CBEs are utilized when possible to provide supplies, equipment, technical services, and other services under this Contract. The Bidder must make documents related to these efforts available to the County upon request.

The County strongly encourages participation by CBEs; however, the final selection will be made without regard to race, color, creed, or gender. The final selection will be based on the Bidder's ability to provide the best service and value to the County.

To obtain a list of the County's CBE certified firms, e-mail the request to the County of Los Angeles Department of Economic Opportunity at CBESBE@opportunity.lacounty.gov with the subject "**Request for CBE Listing**." For additional information, contact the Office of Small Business at: (844) 432-4900 or at OSB@opportunity.lacounty.gov.

5.21 Contribution and Agent Declaration

[Government Code Section 84308](#) requires a party to a contract proceeding to disclose any contribution of more than \$500 made to a County officer within the preceding twelve (12) months by the party or their agent. State regulations require

this disclosure to be made at the time an application is filed, and, if a contribution is made during the contract proceeding, within 30 days of making a contribution or on the date on which the party first appears before or communicates with the agency regarding the proceeding after making the contribution, whichever is earliest. All Bidders are advised that they and all of their Subcontractors must complete and return as part of the bid, the Contribution and Agent Declaration included in Exhibit 8 (Contribution and Agent Declaration Form) of Appendix B (Required Forms). Bidders are further advised that they and their Subcontractors must update the Contribution and Agent Declaration Form throughout the pendency of the solicitation if a contribution is made after the initial disclosure when the bid is submitted, and as requested at any time by the County prior to contract award. Failure by the Bidders or any Subcontractor(s) to complete and submit the required Contribution and Agent Declaration Form in Exhibit 8, and failure by the Bidder or any Subcontractor(s) to update the declaration as required by law or as otherwise requested by the County, may eliminate the bid from further consideration and/or the Bidder may be disqualified from a contract award, as determined in the County's sole discretion. Further, all Bidders and their Subcontractors are prohibited under [Government Code Section 84308](#) from making a contribution of more than \$500 to a County officer for twelve (12) months after the date a final decision is made in the contract proceeding involving this solicitation.

6.0 COUNTY'S PREFERENCE PROGRAMS

6.1 Overview of County's Preference Programs

- 6.1.1** The County has three preference programs: the Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprise (DVBE), and Social Enterprise (SE). The Board encourages business participation in the County's contracting process by continually streamlining and simplifying our selection process and expanding opportunities for these businesses to compete for County opportunities.
- 6.1.2** The Preference Programs (LSBE, DVBE, and SE) require that a business complete certification prior to requesting a preference in a solicitation. This program and how to obtain certification are further explained in paragraph 7.2, 7.3, and 7.4 of this solicitation. Additional information on the County's preference programs is also available on the Department of Economic Opportunity (DEO) website at: https://iddweb.isd.lacounty.gov/DCA_eComplaint/SmallBusinessCertifications
- 6.1.3** In no case will the Preference Programs (LSBE, DVBE, and SE) price or scoring preference be combined with any other County preference program to exceed fifteen percent (15%) in response to any County solicitation.

- 6.1.4** Sanctions and financial penalties may apply to a business that knowingly, and with intent to defraud, seeks to obtain or maintain certification as a certified LSBE, DVBE, or SE when not qualified.

6.2 Local Small Business Enterprise (LSBE) Preference Program

- 6.2.1** The County will apply the LSBE preference during the solicitation process to businesses that meet the definition of an LSBE for solicitations not subject to the federal restriction on geographical preferences, consistent with [Chapter 2.204 of the Los Angeles County Code](#).
- 6.2.2** The business must be certified by the County prior to requesting the LSBE preference in a solicitation. To apply for certification as an LSBE, businesses should contact DEO at https://iddweb.isd.lacounty.gov/DCA_eComplaint/SmallBusinessCertifications.
- 6.2.3** Businesses requesting the LSBE preference must complete and submit Exhibit 3 (Request for Preference Consideration) in Appendix B (Required Forms) and submit their LSBE certification approval letter ("Certification for Non-Federally Funded Solicitations") from the County with their bid.

6.3 Social Enterprise (SE) Preference Program

- 6.3.1** The County will apply the SE preference during the solicitation process to businesses that meet the definition of a SE for solicitations not subject to the federal restriction on geographical preferences, consistent with [Chapter 2.205 of the Los Angeles County Code](#).
- 6.3.2** The business must be certified by the County, prior to requesting the SE preference in a solicitation. To apply for certification as an SE, businesses should contact DEO at https://iddweb.isd.lacounty.gov/DCA_eComplaint/SmallBusinessCertifications.
- 6.3.3** Businesses must complete and submit Exhibit 3 (Request for Preference Consideration) in Appendix B (Required Forms) and submit their SE certification approval letter ("Certification for Non-Federally Funded Solicitations") from the County with their bid.

6.4 Disabled Veteran Business Enterprise (DVBE) Preference Program

- 6.4.1** The County will apply the DVBE preference during the solicitation process to businesses that meet the definition of a DVBE, consistent with [Chapter 2.211 of the Los Angeles County Code](#).
- 6.4.2** The business must be certified by the County, prior to requesting the DVBE preference in a solicitation. To apply for certification as a DVBE, businesses should contact DEO at

https://iddweb.isd.lacounty.gov/DCA_eComplaint/SmallBusinessCertifications.

- 6.4.3** Businesses requesting the DVBE preference must complete and submit Exhibit 3 (Request for Preference Consideration) in Appendix B (Required Forms) and submit a letter of certification from the County with their bid.

6.5 Preference Program Enterprises (PPEs) - Prompt Payment Program

It is the intent of the County that Certified Preference Program Enterprises (PPEs) receive prompt payment for services they provide to County Departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an approved, undisputed invoice which has been properly matched against documents such as a receiving, shipping, or services delivered report, or any other validation of receipt document consistent with Board Policy 3.035 ([Preference Program Payment Liaison and Prompt Payment Program](#)).

7.0 INVITATION FOR BIDS (IFB) REQUIREMENTS

This Section contains key project activities as well as instructions to Bidders in how to prepare and submit their Bid.

7.1 County Responsibility

The County is not responsible for representations made by any of its officers or employees prior to the execution of the Contract unless such understanding or representation is included in the Contract.

7.2 Truth and Accuracy of Representations

False, misleading, incomplete, or deceptively unresponsive statements in connection with a Bid will be sufficient cause for rejection of the Bid. The evaluation and determination in this area will be at the Director's sole judgment and their judgment will be final.

7.3 Bidders' Questions

Bidders may submit written questions regarding this IFB by e-mail to: Jeffrey Martinez-Flores, RapidHousingIFB24-0106@dcfs.lacounty.gov All questions must be received by the date and time specified in Paragraph 1.0 (Solicitation Information). All questions, without identifying the submitting company, will be compiled with the appropriate answers and issued as an addendum to the IFB.

7.4 Bidders' Conference

A Virtual Bidders Conference will be held to discuss the IFB. County staff will respond to questions from potential Bidders. The conference is scheduled as follows:

Date: Monday, December 15, 2025
Time: 10:00 A.M. (Pacific Standard Time)

[Click here to join the meeting](#)

Please ensure you check the DCFS website at:
[http:// contracts.dcfs.lacounty.gov](http://contracts.dcfs.lacounty.gov) for Event Invitation link.

7.5 Preparation of the Bid

One bid must be submitted via electronic mail (e-mail) to: RapidHousingIFB24-0106@dcfs.lacounty.gov by the date and time listed in Paragraph 1.0 (Solicitation Information).

All Bids must be bound and submitted in the prescribed format. Any Bid that deviates from this format may be rejected without review at the County's sole discretion.

7.5.1 Bidders must submit four (4) electronic PDF files in their bid submission email(s) as follows:

7.5.1.1 Section A: Pricing Schedule t and Line-Item Budget and Budget Narrative (Appendix B, Exhibit 9 and Exhibit 10)

7.5.1.2 Section B: Executive Summary of Background and Experience (Appendix B, Exhibit 7)

7.5.1.3 Section C: Required Forms (Exhibits 1 through 6,8,11,12)

7.5.1.4 Section D: Proof of Insurability

7.5.2 The electronic files must be titled as follows: RapidHousingIFB24-0106, the Bidder's name, and identify the files list in 7.4.1 (i.e. RapidHousingIFB24-0106, ABC Agency, Required Forms)

7.5.3 Each page must be clearly and consecutively numbered within each electronic file.

7.5.4 Bidders should plan for any delays or computer system failure and avoid submitting proposals at minimum 30 minutes before the deadline. Any bid(s) received after 12:00 pm on January 7, 2026, will be immediately rejected.

7.5.5 Bidders must set up a delivery receipt for each of their email submissions. Bidders must keep delivery receipts and acknowledgement email from DCFS for their records.

7.6 Bid Review Process

The content and sequence of the bid must be as follows:

Pricing Schedule, (Section A)

Complete and submit Exhibit 9 (Pricing Schedule) and Exhibit 10 (Line-Item Budget and Budget Narrative) as provided in Appendix B (Required Forms).

Bids will be examined to determine the lowest price. Should one or more of the Bidders request and be granted the Local Small Business Enterprise Preference, Social Enterprise Preference, or Disabled Veteran Business Enterprise Preference, the lowest bid price will be determined as follows:

The maximum number of possible points will be awarded to the lowest cost bid. All other bids will be compared to the lowest cost and points awarded accordingly.

However, should one or more of the Bidders request and be granted the preference, the cost component points will be determined as follows:

Fifteen percent (15%) of the lowest cost proposed will be calculated, not to exceed \$150,000, and that amount will be deducted from the cost submitted by all bidders who requested and were granted the preference.

In no case will any preference be combined to exceed fifteen percent (15%) of the lowest responsible bid meeting specifications.

7.6.1 Bidder's Qualifications (Section B)

Demonstrate that the Bidder's organization has the experience to perform the required services. The following sections must be included:

7.6.1.1 Bidder's Background and Experience (Section B.1)

The Bidder must complete, sign and date the Bidder's Exhibit 1 (Organization Questionnaire/Affidavit) as set forth in Appendix B (Required Forms). **The person signing the form must be authorized to sign on behalf of the Bidder and to bind the applicant in a Contract.**

Provide a summary of relevant background information to demonstrate that the Bidder meets the minimum requirements stated in Paragraph 3.0 (Bidder's Minimum Requirements) of this IFB and has the capability to perform the required services as a corporation or other entity. Bidders completed Exhibit 7 (Executive Summary of Background and Experience), in Appendix B (Required Forms) must be provided in the bid. Bidder must limit summary to no more than Four (4) pages.

Taking into account the structure of the Bidder's organization, Bidder must determine which of the below referenced supporting documents the County requires. If the Bidder's organization does not fit into one of these categories, upon receipt of the Bid or at some later time, the County may, in its discretion, request additional documentation regarding the

Bidder's business organization and authority of individuals to sign Contracts.

If the below referenced documents are not available at the time of Bid submission, Bidders must request the appropriate documents from the California Secretary of State and provide a statement on the status of the request.

Required Support Documents:

Corporations or Limited Liability Company (LLC):

The Bidder must submit the following documentation with the Bid:

- 1) A copy of a "Certificate of Good Standing" with the state of incorporation/organization.
- 2) A conformed copy of the most recent "Statement of Information" as filed with the California Secretary of State listing corporate officers or members and managers.

Limited Partnership:

The Bidder must submit a conformed copy of the Certificate of Limited Partnership or Application for Registration of Foreign Limited Partnership as filed with the California Secretary of State, and any amendments.

The review will include verification of references submitted, a review of the Contractor Alert Reporting Database (CARD), if applicable, reflecting past performance history on County contracts, and a review of terminated contracts.

7.6.1.2 Bidder's Debarment History and List of Terminated Contracts (Section B.2) Bidder's Debarment History and List of Terminated Contracts (Section B.3)

The County will conduct a review of Bidder's terminated contracts and debarment history. Bidder must include contracts terminated within the past three (3) years with a reason for termination in Appendix B (Required Forms), Exhibit 4 (Debarment History and List of Terminated Contracts). Bidder's completed form Exhibit 4 (Debarment History and List of Terminated Contracts) must be provided as part of their bid. The review will include a review of the Contractor Alert Reporting Database (CARD), if applicable, reflecting past performance history on County contracts, and a review of terminated contracts.

7.6.1.3 Bidder's Financial Capability (Section B.3)

The County will conduct a review of Bidder's financial capability. Bidder must provide copies of the company's most current and prior three (3) fiscal years financial statements. Statements (i.e. fiscal years ending 2022, 2023, and 2024). At least one (1) of the financial statements must be an audited financial statement within 18 months old at the time of the bid submission for this IFB. Statements should include the company's assets, liabilities, and net worth, and at a minimum should include the Balance Sheet, Statement of Income, and the Statement of Cash Flows. If audited statements are available, these should be submitted to meet this requirement. Do not submit Income Tax Returns to meet this requirement. Financial statements will be kept confidential if stamped on each page.

7.6.1.1 Bidder's Pending Litigation and Judgments (Section B.3)

The County will conduct a review of Bidder's pending litigation and judgements. Bidder must identify by name, case and court jurisdiction any pending litigation in which Bidder is involved, or judgments against Bidder in the past five (5) years. Additionally, Bidder must provide a statement describing the size and scope of any pending or threatening litigation against the Bidder or principals of the Bidder.

A review to determine the magnitude of any pending litigation or judgments against the Bidder will be conducted by County.

7.6.2 Required Forms (Section C)

Include the following forms as provided in Appendix B (Required Forms). Complete, sign and date all forms.

- | | |
|------------|--|
| Exhibit 1 | Organization Questionnaire/Affidavit |
| Exhibit 2 | Certification of Compliance |
| Exhibit 3 | Request for Preference Consideration |
| Exhibit 4 | Debarment History and List of Terminated Contracts |
| Exhibit 5 | Community Business Enterprise (CBE) Information |
| Exhibit 6 | Minimum Mandatory Requirements |
| Exhibit 7 | Executive Summary of Background and Experience |
| Exhibit 8 | Contribution and Agent Declaration Form |
| Exhibit 9 | Pricing Schedule |
| Exhibit 10 | Line-Item Budget and Budget Narrative |

Exhibit 11 Proposer's Involvement in Litigation and Contract Compliance Difficulties

Exhibit 12 Declaration

7.6.3 Proof of Insurability (Section D)

Bidder must provide proof of insurability that meets all insurance requirements set forth in the Appendix A (Sample Contract), Paragraphs 8.24 (General Provisions for all Insurance Coverage) and 8.25 (Insurance Coverage). If a Bidder does not currently have the required coverage, a letter from a qualified insurance carrier indicating a willingness to provide the required coverage should the Bidder be awarded a Contract may be submitted with the Bid.

7.7 Electronic Bid Submission

One bid must be submitted, via electronic mail (e-mail) to: RapidHousingIFB24-0106@dcfs.lacounty.gov by the date and time listed in Paragraph 1.0 (Solicitation Information).

All Bids must be bound and submitted in the prescribed format. Any Bid that deviates from this format may be rejected without review at the County's sole discretion..

To: Jeffrey Martinez-Flores,

via email at RapidHousingIFB24-0106@dcfs.lacounty.gov

Subject: Bid for Rapid Engagement and Housing IFB # 24-0106,
Bidders' name

7.7.1 Bidders must submit four (4) electronic PDF files in their bid submission email(s) as follows:

7.7.1.1 Section A: Pricing Schedule and Line-Item Budget and Budget Narrative (Appendix B, Exhibit 9 and Exhibit 10)

7.7.1.2 Section B: Executive Summary of Background and Experience (Appendix B, Exhibit 7)

7.7.1.3 Section C: Required Forms (Exhibits 1 through 6,8,11,12)

7.7.1.4 Section D: Proof of Insurability

7.7.2 No hard copies delivered in person or facsimile (faxed) responses will be accepted. Multiple emails of Adobe Portable Document Format (PDF) will be accepted. All bid documentation must be attached, not linked.

7.7.3 Bidders must also include a redacted Bid in searchable Adobe PDF format, with all confidential, proprietary and trade secret information redacted, as part of its bid submission. With respect to this requirement, Bidder must submit one (1) electronic copy in searchable Adobe PDF

format, with confidential, proprietary and trade secret information redacted. Bidders must specifically redact only those parts of the Business Bid that are actually trade secrets, confidential, or proprietary in nature. Blanket or categorical redactions and/or statements of confidentiality, or the marking of each page of the bid as "Trade Secret," "Confidential," or "Proprietary," are not acceptable, and will be rejected in the sole discretion of the County.

- 7.7.4** It is the sole responsibility of the submitting Bidder to ensure that its bid is received before the submission deadline. No hard copies delivered in person or facsimile (faxed) responses will be accepted. Please note, each email attachment file size is limited to 60 MB per email. Multiple emails of Adobe Portable Document Format (PDF) will be accepted. Submitting bidders must bear all risks associated with delays in delivery by any person or entity, or electronic mail (e-mail).
- 7.7.5** All Bids will be firm offers and may not be withdrawn for a period of one hundred and eighty (180) days following the last day to submit bids.
- 7.7.6** Until the bid submission deadline, errors in bids may be corrected by a request in writing to withdraw the bid and by submission of another set of bids with the mistakes corrected. Corrections will not be accepted once the deadline for submission of bids has passed.

8.0 SELECTION PROCESS OVERVIEW

8.1 Adherence to Minimum Mandatory Requirements

County will review the Bidder's Exhibit 1 (Organization Questionnaire/Affidavit), Exhibit 6 (Minimum Mandatory Requirements), and of Appendix B (Required Forms) to determine if the Bidder meets the minimum mandatory requirements as outlined in Paragraph 3.0 of this IFB.

Failure of the Bidder to comply with the minimum requirements may eliminate its bid from any further consideration. The County may elect to waive any informality in a bid if the sum and substance of the bid is present.

8.2 Review Process

The lowest price bid will be reviewed to determine whether it is responsive and responsible.

9.0 PROTEST PROCESS OVERVIEW

9.1 Solicitation Requirements Review

Any person or entity may seek a Solicitation Requirements Review by submitting Appendix C (Solicitation Requirements Review (SRR) Request) to the Department conducting the solicitation. A request for a SRR may be denied, in the Department's sole discretion, if the request does not satisfy all the following criteria:

- 9.1.1** The request is made within the time frame identified in the solicitation document;
- 9.1.2** The request includes documentation (e.g., letterhead, business card, etc.), which identifies the underlying authority of the person or entity to submit a bid;
- 9.1.3** The request Review itemizes in appropriate detail, each matter contested and factual reasons for the requested review; and
- 9.1.4** The request asserts either that:
 - 9.1.4.1** application of the minimum mandatory requirements, evaluation criteria and/or business requirements unfairly disadvantages the person or entity; or,
 - 9.1.4.2** due to unclear instructions, the process may result in the County not receiving the best possible responses from prospective Vendor.

The SRR will be completed and the Department's determination will be provided to the requesting person or entity, in writing, within a reasonable time prior to the bid due date.

9.2 Disqualification Review

A bid may be disqualified from consideration because a Department determined it was a non-responsive bid at any time during the review/evaluation process. If a Department determines that a Bid was disqualified due to non-responsiveness, the Department will notify the Bidder in writing.

Upon receipt of the written determination of non-responsiveness, the Bidder may submit a written request for a Disqualification Review within the timeframe specified in the written determination.

A request for a Disqualification Review may, in the Department's sole discretion, be denied if the request does not satisfy all of the following criteria:

- 9.2.1** The request for a Disqualification Review is submitted timely (i.e., by the date and time specified in the written determination); and
- 9.2.2** The request for a Disqualification Review asserts that the Department's determination of disqualification due to non-responsiveness was erroneous (e.g. factual errors, etc.) and provides factual support on each ground asserted as well as copies of all documents and other material that support the assertions.

The Disqualification Review must be completed and the determination will be provided to the requesting Bidder, in writing, prior to the conclusion of the evaluation process.

9.3 Proposed Contractor Selection Review (PCSR)

Any Bidder that has timely submitted a notice of its intent to request a Proposed Contractor Selection Review (PCSR) as described in this Paragraph may submit a written request for a PCSR, in the manner and timeframe as will be specified by the department.

A request for a PCSR may, in the department's sole discretion, be denied if the request does not satisfy all of the following criteria:

- 9.3.1** The request for a PCSR is submitted timely (i.e., by the date and time specified by the department);
- 9.3.2** The person or entity requesting a PCSR asserts in appropriate detail with factual reasons one or more of the following grounds for review:
 - 9.3.2.1** The Department materially failed to follow procedures specified in its solicitation document. This includes:
 - 1)** Failure to correctly apply the standards for reviewing the bid format requirements.
 - 2)** Failure to correctly apply the standards, and/or follow the prescribed methods, for evaluating the bids as specified in the solicitation document.
 - 3)** Use of evaluation criteria that were different from the evaluation criteria disclosed in the solicitation document.
 - 9.3.2.2** The Department made identifiable mathematical or other errors in evaluating bids, resulting in the Bidder receiving an incorrect score and not being selected as the recommended contractor.
 - 9.3.2.3** Another basis for review as provided by state or federal law; and
- 9.3.3** The request for a PCSR sets forth sufficient detail to demonstrate that, but for the department's alleged failure, the Bidder would have been the lowest cost, responsive and responsible bid or the highest-scored bid, as the case may be.

Upon completing the PCSR, the department representative will issue a written decision to the Bidder within a reasonable time following receipt of the request for a PCSR, and always before the date the contract award recommendation is to be heard by the Board. The written decision will additionally instruct the Bidder of the manner and timeframe for requesting a County Independent Review see Paragraph 9.4 below.

9.4 County Independent Review (CIR)

Any Bidder that is not satisfied with the results of the PCSR may submit a written request for a County Independent Review (CIR) in the manner and timeframe specified by the Department in the Department's written decision regarding the PCSR. Bidders that request a CIR may not add new assertions or documentation to the assertions presented in their PCSR. Any new assertions or documentation submitted by Bidder will not be considered or reviewed.

The request for a CIR may, in the County's sole discretion, be denied if the request does not satisfy all of the following criteria:

- 9.4.1** The request for a CIR is submitted timely (i.e., by the date and time specified by the Department); and
- 9.4.2** The person or entity requesting the CIR has limited the request to items raised in the PCSR as listed in Paragraph 9.3 (Proposed Contractor Selection Review) above.

Upon completion of the CIR, the Internal Services Department will forward the report to the Department, which will provide a copy to the Bidder.

APPENDIX A



SAMPLE CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

(CONTRACTOR)

**FOR RAPID ENGAGEMENT AND HOUSING
PROGRAM SERVICES**

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
RECITALS.....	1
1.0 APPLICABLE DOCUMENTS	2
2.0 DEFINITIONS	2
2.1 Standard Definitions	2
3.0 WORK.....	4
4.0 TERM OF CONTRACT	4
5.0 CONTRACT SUM	4
5.1 Total Contract Sum	4
5.2 Written Approval for Reimbursement	5
5.3 Notification of 75% of Total Contract Sum.....	5
5.4 No Payment for Services Provided Following Expiration-Termination of Contract.....	5
5.5 Invoices and Payments	5
5.6 Default Method of Payment: Direct Deposit or Electronic Funds Transfer	9
6.0 ADMINISTRATION OF CONTRACT – COUNTY	9
6.1 County’s Administration	9
6.2 County’s Program Manager	10
6.3 County’s Contract Analyst.....	10
7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR.....	10
7.1 Contractor’s Administration	10
7.2 Contractor’s Program Director.....	10
7.3 Approval of Contractor’s Staff	11
7.4 Contractor’s Staff Identification	11
7.5 Background and Security Investigations	11
7.6 Confidentiality.....	11
8.0 STANDARD TERMS AND CONDITIONS.....	12
8.1 Amendments	12
8.2 Assignment and Delegation/Mergers or Acquisitions	13
8.3 Authorization Warranty.....	13
8.4 Budget Reductions	14
8.5 Complaints	14

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
8.6 Compliance with Applicable Laws	14
8.7 Compliance with Civil Rights Laws.....	15
8.8 Compliance with County's Jury Service Program.....	16
8.9 Conflict of Interest	17
8.10 Consideration of Hiring County Employees Targeted for Layoffs or are on a County Re-Employment List.....	17
8.11 Consideration of Hiring GAIN/START Participants.....	18
8.12 Contractor Responsibility and Debarment.....	18
8.13 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law	20
8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program	20
8.15 County's Quality Assurance Plan	21
8.16 Damage to County Facilities, Buildings or Grounds	21
8.17 Employment Eligibility Verification.....	21
8.18 Counterparts and Electronic Signatures and Representations.....	22
8.19 Fair Labor Standards	22
8.20 Force Majeure	22
8.21 Governing Law, Jurisdiction, and Venue.....	23
8.22 Independent Contractor Status	23
8.23 Indemnification	24
8.24 General Provisions for All Insurance Coverage.....	24
8.25 Insurance Coverage.....	28
8.26 Liquidated Damages	29
8.27 Most Favored Public Entity.....	30
8.28 Nondiscrimination and Affirmative Action.....	31
8.29 Non Exclusivity.....	32
8.30 Notice of Delays	32
8.31 Notice of Disputes	32
8.32 Notice to Employees Regarding the Federal Earned Income Credit	32
8.33 Notices	33
8.34 Prohibition Against Inducement or Persuasion.....	33

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
8.35 Public Records Act.....	33
8.36 Publicity.....	33
8.37 Record Retention and Inspection-Audit Settlement.....	34
8.38 Recycled Bond Paper	35
8.39 Subcontracting	35
8.40 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program.....	36
8.41 Termination for Convenience	36
8.42 Termination for Default.....	37
8.43 Termination for Improper Consideration.....	38
8.44 Termination for Insolvency	39
8.45 Termination for Non-Adherence of County Lobbyist Ordinance	39
8.46 Termination for Non-Appropriation of Funds	39
8.47 Validity.....	40
8.48 Waiver	40
8.49 Warranty Against Contingent Fees	40
8.50 Warranty of Compliance with County's Defaulted Property Tax Reduction Program	40
8.51 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program.....	40
8.52 Time Off for Voting	41
8.53 Compliance with County's Zero Tolerance Policy on Human Trafficking	41
8.54 Compliance with Fair Chance Employment Hiring Practices.....	41
8.55 Compliance with the County Policy of Equity	41
8.56 Prohibition from Participation in Future Solicitation(s).....	42
8.57 Injury and Illness Prevention Program	42
8.58 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding	42
9.0 UNIQUE TERMS AND CONDITIONS	42
9.1 Contractor's Charitable Activities Compliance.....	42
9.2 Local Small Business Enterprise (LSBE) Preference Program	43
9.3 Social Enterprise (SE) Preference Program.....	43

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
9.4 Disabled Veteran Business Enterprise (DVBE) Preference Program.....	44
9.5 Patent,Copyright and Trade Secret Indemnification.....	45
9.6 Former Foster Youth Consideration	46
9.7 Capital Assets	46
9.8 Information Security and Privacy Requirements	47
10.0 SURVIVAL	47

STANDARD EXHIBITS

- A** Statement of Work and Attachments
- B** Pricing Schedule
- C** Line-Item Budget and Narrative
- D** County's Administration
- E** Contractor's Administration
- F** Forms Required at the Time of Contract Execution
 - F1 Contractor Acknowledgement and Confidentiality Agreement
 - F2 Contractor Employee Acknowledgement and Confidentiality Agreement
 - F3 Contractor Non-Employee Acknowledgement and Confidentiality Agreement
- G** Auditor-Controller Contract Accounting and Administration Handbook
- H** Information Security and Privacy Requirements

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND**

**_____
FOR
RAPID ENGAGEMENT AND HOUSING PROGRAM SERVICES**

This Contract ("Rapid Engagement and Housing Program Services") and Exhibits made and entered into _____ by and between the County of Los Angeles, hereinafter referred to as "County" and _____, hereinafter referred to as "Contractor". _____ is located at _____.

RECITALS

WHEREAS, pursuant to Government Code Section 26227, 31000 and 53703, County is permitted to contract for services; and

WHEREAS, the Contractor is a non-profit firm specializing in providing Rapid Engagement and Housing Program Services; and

WHEREAS, Contractor warrants that it possesses the competence, expertise and personnel necessary to provide such services; and

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

1.0 APPLICABLE DOCUMENTS

Exhibits A through H are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency will be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

Standard Exhibits:

Exhibit A	Statement of Work and Attachments
Exhibit B	Pricing Schedule
Exhibit C	Line-Item Budget and Narrative
Exhibit D	County's Administration
Exhibit E	Contractor's Administration
Exhibit F	Forms Required at the Time of Contract Execution
	F1 Contractor Acknowledgement and Confidentiality Agreement
	F2 Contractor Employee Acknowledgement and Confidentiality Agreement
	F3 Contractor Non-Employee Acknowledgement and Confidentiality Agreement
Exhibit G	Auditor-Controller Contract Accounting and Administration Handbook
Exhibit H	Information Security and Privacy Requirements

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

2.0 DEFINITIONS

2.1 Standard 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 will be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

2.1.1 Board of Supervisors (Board): The Board of Supervisors of the County acting as governing body.

- 2.1.2 Contract:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work.
- 2.1.3 Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this Contract.
- 2.1.4 Contractor's Program Director (CPD):** The person designated by the Contractor to administer the Contract operations under this Contract.
- 2.1.5 County's Contract Analyst:** The person designated by the County to manage and facilitate the administrative functions of the Contract.
- 2.1.6 County's Program Manager (CPM):** The County representative responsible for daily management of contract operations. Responsible for monitoring, and compliance of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.1.7 County Observed Holidays:** Days on which County departments are closed for business in observance of significant events. A list of County observed holidays may be found on the County's website <https://lacounty.gov/government/about-la-county/about/>.
- 2.1.8 Day(s):** Calendar day(s) unless otherwise specified.
- 2.1.9 Department:** The County of Los Angeles Department of Children and Family Services, which is entering into this Contract on behalf of the County of Los Angeles.
- 2.1.10 Director:** Director of Department of Children and Family Services.
- 2.1.11 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.1.12 Statement of Work:** A written description of the work to be performed by Contractor to meet the needs of the County, including special provisions pertaining to the method, frequency, manner, and place of performing the contract services.
- 2.1.13 Subcontract:** An agreement by the Contractor to employ a subcontractor to provide services to fulfill this Contract.
- 2.1.14 Subcontractor:** Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement.

2.1.15 DCFS: The County's Department of Children and Family Services.

3.0 WORK

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

4.0 TERM OF CONTRACT

- 4.1** The term of this Contract will be one year commencing after execution by DCFS Director or July 1, 2026, whichever is later, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2** The County will have the sole option to extend this Contract term for up to two (2) additional one-year periods, for a maximum total Contract term of three years. Each such option and extension will be exercised at the sole discretion of the Director or designee as authorized by the Board of Supervisors.

The County maintains a database that track/monitor Contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether a bidder is responsible for the purposes of a future County contract or extension option.

- 4.3** The Contractor must notify Department when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor must send written notification to Department at the address herein provided in Exhibit D (County's Administration).
- 4.4** The term of this Contract may also be extended by the Director of DCFS by written notice to the Contractor sixty (60) days prior to the expiration of the contract term, for a period not to exceed six (6) months beyond stated expiration date on a month-to-month basis, if such additional time is necessary to complete the negotiation or solicitation of a new contract.

5.0 CONTRACT SUM

5.1 Total Contract Sum

5.1.1 The Maximum Annual Contract Sum for this contract is \$619,000

5.1.2 County and Contractor agree that this is a firm-fixed price Contract not to exceed the Maximum Contract Sum. During the term of this Contract, County will compensate Contractor as specified in Exhibit B, Pricing

Schedule for the services set forth in Exhibit A, Statement of Work, in accordance with Section 5.5, Invoice and Payments, of this Contract.

5.2 Written Approval for Reimbursement

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

5.3 Notification of 75% of Total Contract Sum

The Contractor must maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, the Contractor must send written notification to Department at the address herein provided in Exhibit D (County's Administration).

5.4 No Payment for Services Provided Following Expiration-Termination of Contract

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

5.5 Invoices and Payments

5.5.1 The Contractor must invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A (Statement of Work and Attachments) and elsewhere hereunder. The Contractor must prepare invoices, which will include the charges owed to the Contractor by the County under the terms of this Contract.

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

5.5.3 All invoices under this Contract must be submitted in two (2) copies to the following address:

County of Los Angeles
Department of Children and Family Services
Attn: Accounting Services, Contract Accounting Section

510 Vermont Avenue, 14th Floor
Los Angeles, CA 90020
Contractinvoices@dcfs.lacounty.gov

And a duplicate copy of the invoices to:

County of Los Angeles
Rapid Engagement & Housing Program
Attn: Michael Scoggins, Program Manager
1933 South Broadway
Los Angeles, CA 90007

5.5.4 County Approval of Invoices

- 5.5.4.1** All invoices submitted by the Contractor for payment must have the written approval of the County's Program Manager prior to any payment thereof. In no event will the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.
- 5.5.4.2** The Contractor's invoices must be priced in accordance with Exhibit B (Price Schedule). Contractor will be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment will be due to the Contractor for that work.
- 5.5.4.3** Contractor must submit a monthly invoice in arrears for services rendered in the previous month. Contractor must make its best efforts to submit all invoices within fifteen (15) days of the last day of the month in which the services were rendered. Any invoices submitted more than thirty (30) days after the last day of the month the services were rendered will constitute as "past due invoice." Past due invoices must be submitted no later than sixty (60) days after the last day of the month in which services were rendered. Any other provision of this Contract, Contractor and County agree that the County will have no obligation whatsoever to pay any past due invoices which are submitted more than sixty (60) days after the last day of the month in which services were rendered. County may, in its sole discretion, pay some or all of a past due invoice which Contractor has submitted more than sixty (60) days after the last day of the month in which services were rendered, provided sufficient funds remain available under this Contract. These same timeframes will also apply to the submission of the Contractor's final invoice.

- 5.5.4.4** Whether or not Federal dollars will be utilized to pay for services under this Contract, expenditures made by Contractor in the operation of this Contract must be in compliance and in conformity with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 Code of Federal Regulations (CFR), Title 2, Part 200.
- 5.5.4.5** Payments to Contractor will be made in arrears on a monthly basis for services performed, provided that the Contractor is not in default under any provision of this Contract. County has no obligation to pay for any work except those expressly authorized by this Contract.
- 5.5.4.6** In compliance with the Internal Revenue Service (IRS) requirements, Contractor must provide the Contractor's Tax Identification Number. Furthermore, the Tax Identification Number is necessary for processing payments, as required by the County Auditor-Controller.
- 5.5.4.7** Contractor is responsible for the accuracy of invoices submitted to County. Further, it is the responsibility of Contractor to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by Contractor and to notify County or any overpayments received by Contractor. Any overpayment received by Contractor, as determined by County Program Manager, or designee, must be returned to County by Contractor within thirty (30) days of receiving notification of such overpayment from the County, or may be set off at County's election against future payments due to Contractor. Notwithstanding any other provision of this Contract, Contractor must return to County any and all payments which exceeds the Maximum Annual Contract Sum for the corresponding contract year. Furthermore, Contractor must return said payments within thirty (30) days of receiving notification of overpayment from the County or immediately upon discovering such overpayment, whichever date is earlier.
- 5.5.4.8** Contractor will not be paid for expenditures beyond the Maximum Annual Contract Sum for the corresponding contract year, and Contractor agrees that County has no obligation, whatsoever, to pay for any expenditures by Contractor that exceed the Maximum Annual Contract Sum for said contract year.

- 5.5.4.9** Suspension and Withholding of Payment: In addition to other remedies, County reserves the right to suspend or withhold all payments to Contractor if required reports are not provided to County on a timely basis; if there are continuing deficiencies in Contractor's reporting, record keeping, or invoicing requirements; or if Contractor's performance of the work is not adequately evidenced or performed.
- 5.5.4.10** County and Contractor agree that this is a firm-fixed priced price contract not to exceed the Maximum Annual Contract Sum. During the term of this Contract, County will compensate Contractor, as specified in Exhibit B – Price Schedule, for the services set forth in Exhibit A – Statement of Work, in accordance with Section 5.5, Invoices and Payments, of this Contract.
- 5.5.4.11** Contractor must have no claim against County for, nor 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.
- 5.5.4.12** Contractor's Budget is attached hereto and incorporated by reference herein as Exhibit C – Contractor's Line Item Budget and Budget Narrative. The line items must provide sufficient detail to determine the quality and quantity of services to be delivered. Contractor represents and warrants that the Budget is true and correct in all respects and will deliver services in accordance with the Budget. In the event of a change in the Maximum Annual Contract Sum, or reallocation of the Budget, or a material change to the Scope of Work, Contractor must amend the Budget consistent with the changes and submit the Budget to the County Program Manager for approval.
- 5.5.4.13** Contractor, without prior approval of County, may reallocate up to a maximum of five percent (5%) of the Maximum Annual Contract Sum between categories (i.e. personnel, employee benefits, supplies, expenses, equipment, travel and indirect costs) of Contractor's approved budget. Contractor must request County's approval in writing for Line Item Budget reallocations above the five percent (5%) maximum, which may only be increased to a maximum of ten percent (10%), if such request is approved. In any event, such revisions must not result in any increase in the Maximum Annual Contract Sum. Such requests to County must be addressed to the County Program Manager.

5.5.4.14 Contractor must limit administrative and indirect costs to ten percent (10%) of the total expenditures of the contract funds.

5.5.5 Preference Program Enterprises - Prompt Payment Program

Certified Prompt Payment Enterprises (PPEs) will receive prompt payment for services they provide to County Departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an approved, undisputed invoice which has been properly matched against documents such as a receiving, shipping, or services delivered report, or any other validation of receipt document consistent with Board Policy 3.035 ([Preference Program Payment Liaison and Prompt Payment Program](#)).

5.6 Default Method of Payment: Direct Deposit or Electronic Funds Transfer

5.6.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County will be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.6.2 The Contractor must submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.6.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.

5.6.4 At any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), will decide whether to approve exemption requests.

6.0 ADMINISTRATION OF CONTRACT – COUNTY

6.1 County's Administration

A listing of all County Administration referenced in the following Paragraphs are designated in Exhibit D (County's Administration). The County will notify the Contractor in writing of any changes as they occur.

6.2 County's Program Manager

Responsibilities of the County's Program Manager include:

- 6.2.1** Ensuring that the objectives of this Contract are met; and
- 6.2.2** Providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.
- 6.2.3** Meeting with the Contractor's Program Director on a regular basis; and
- 6.2.4** Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Program Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

The County's Program Manager is responsible for overseeing the day-to-day administration of this Contract; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

6.3 County's Contract Analyst

The role of the County's Contract Analyst is to manage and facilitate the administrative functions of the Contract.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Administration

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit E (Contractor's Administration). The Contractor will notify the County in writing of any change as they occur.

7.2 Contractor's Program Director

- 7.2.1** The Contractor's Program Director is designated in Exhibit E (Contractor's Administration). The Contractor must notify the County in writing of any change to Exhibit E (Contractor's Administration), as changes occur.
- 7.2.2** The Contractor's Program Director will be responsible for the Contractor's day-to-day activities as related to this Contract and must coordinate with County's Program Manager on a regular basis.
- 7.2.3** The Contractor's Program Director must have a minimum of three years of experience.

7.3 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Program Director.

7.4 Contractor's Staff Identification

Contractor must provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.5 Background and Security Investigations

7.5.1 Each of Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, must undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but will not be limited to criminal conviction information. The fees associated with the background investigation will be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

7.5.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing services under the Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.4 These terms will also apply to subcontractors of County contractors.

7.5.5 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1 Contractor must maintain the confidentiality of all records and information 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 technology security and the protection of confidential records and information.

- 7.6.2** Contractor must 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, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will 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.
- 7.6.3** Contractor must inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4** Contractor must sign and adhere to the provisions of Exhibit F (Contractor Acknowledgement and Confidentiality Agreement).

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1** For any change which affects the scope of work, contract term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment must be prepared and executed by the Contractor and by DCFS Director or designee. Approval of County Counsel must be obtained for any changes which affect the scope of work.
- 8.1.2** The County's Board or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board or Chief Executive Officer. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by DCFS Director or designee.

- 8.1.3** The DCFS Director or designee, may at their sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Contract). The Contractor agrees that such extensions of time will not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract must be prepared and executed by the Contractor and by DCFS Director or designee.

8.2 Assignment and Delegation/Mergers or Acquisitions

- 8.2.1** The Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2** The Contractor must not assign, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of this paragraph, County consent will require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract will be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.3** Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, will be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County will be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 Authorization Warranty

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

8.4 Budget Reductions

In the event that the County's Board 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, the 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 to be provided by the Contractor under this Contract will also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation will be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor must continue to provide all of the services set forth in this Contract.

8.5 Complaints

The Contractor must develop and maintain operating procedures for receiving, investigating and responding to complaints.

- 8.5.1** Within five (5) business days after Contract effective date, the Contractor must provide the County with the Contractor's procedures for receiving, investigating and responding to user complaints.
- 8.5.2** The County will review the Contractor's procedures and provide the Contractor with approval of said procedures or with requested changes.
- 8.5.3** If the County requests changes in the Contractor's procedures, the Contractor must make such changes and resubmit the procedures within five (5) business days for County approval.
- 8.5.4** If, at any time, the Contractor wishes to change the Contractor's procedures, the Contractor must submit proposed changes to the County for approval before implementation.
- 8.5.5** The Contractor must preliminarily investigate all complaints and notify the County's Program Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.5.6** When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7** Copies of all written responses must be sent to the County's Program Manager within three (3) business days of mailing to the complainant.

8.6 Compliance with Applicable Laws

- 8.6.1** In the performance of this Contract, Contractor must 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.

- 8.6.2** Contractor must 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 will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will 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.

8.7 Compliance with Civil Rights Laws

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person will, 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. Additionally, Contractor certifies to the County:

- 8.7.1** That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
- 8.7.2** That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
- 8.7.3** That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- 8.7.4** Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.

8.8 Compliance with County's Jury Service Program

8.8.1 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](#).

8.8.2 Written Employee Jury Service Policy

- Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program ([Section 2.203.020 of the County Code](#)) or that the Contractor qualifies for an exception to the Jury Service Program ([Section 2.203.070 of the County Code](#)), the Contractor must have and adhere to a written policy that provides that its Employees will receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
- For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor will also be subject to the provisions of this Paragraph. The provisions of this Paragraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the agreement.
- If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor will have a continuing obligation to review the applicability of its "exception

status” from the Jury Service Program, and the Contractor must immediately notify the County if the Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County’s satisfaction that the Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that the Contractor continues to qualify for an exception to the Program.

- Contractor’s violation of this Paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 Conflict of Interest

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

8.9.2 The Contractor must comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it must immediately make full written disclosure of such facts to the County. Full written disclosure must 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 will be a material breach of this Contract.

8.10 Consideration of Hiring County Employees Targeted for Layoffs or are on a County Re-Employment List

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the

Contractor must give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 Consideration of Hiring GAIN/START Participants

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor will give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or Skills and Training to Achieve Readiness for Tomorrow (START) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration will mean that the Contractor will interview qualified candidates. The County will refer GAIN/START participants by job category to the Contractor. Contractors must report all job openings with job requirements to: gainstart@dpss.lacounty.gov and BSERVICES@OPPORTUNITY.LACOUNTY.GOV and DPSS will refer qualified GAIN/START job candidates.

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

8.12 Contractor Responsibility and Debarment

8.12.1 Responsible Contractor

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

8.12.2 Chapter 2.202 of the County Code

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

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of

a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

- If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- 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 will be presented to the Board. The Board of Supervisors will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

- The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board will conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing will be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- The Contractor Hearing Board's proposed decision will contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board will present its proposed decision and recommendation to the Board. The Board will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms will also apply to Subcontractors of County Contractors.

8.13 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor must notify and provide to its employees, and will 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 information on where and how to safely surrender a baby. Additionally, the Contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "[Safely Surrendered Baby Law Poster](#)" (available in [English/Spanish/Chinese/Korean](#)) in a prominent position at the Contractor's place of business. The Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business.

The Contractor, and its subcontractor(s), can access posters and other program material at www.babysafela.org.

8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County

through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

- 8.14.2** As required by the County's Child Support Compliance Program ([County Code Chapter 2.200](#)) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and will 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 will implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 County's Quality Assurance Plan

The County or its agent(s) will monitor the Contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board and listed in the appropriate contractor performance database. The report to the Board will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.16 Damage to County Facilities, Buildings or Grounds

- 8.16.1** The Contractor will repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs must be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2** If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs must be repaid by the Contractor by cash payment upon demand.

8.17 Employment Eligibility Verification

- 8.17.1** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the

citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor must obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor must retain all such documentation for all covered employees for the period prescribed by law.

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

8.18 Counterparts and Electronic Signatures and Representations

This Contract may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same Contract. The facsimile, email or electronic signature of the parties will be deemed to constitute original signatures, and facsimile or electronic copies hereof will be deemed to constitute duplicate originals.

The County and the Contractor hereby agree to regard electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities (facsimile, email or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this Contract.

8.19 Fair Labor Standards

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

8.20 Force Majeure

- 8.20.1** Neither party will 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 as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor will 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 will 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, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

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

8.21 Governing Law, Jurisdiction, and Venue

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

8.22 Independent Contractor Status

8.22.1 This Contract is by and between the County and the Contractor and is not intended, and must not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party must not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

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

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not

employees of the County. The Contractor will be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

- 8.22.4** The Contractor must adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

The Contractor must indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") 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 and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

8.24 General Provisions for All Insurance Coverage

- 8.24.1** 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 must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this 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. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, must be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- Renewal Certificates must be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.
- Certificates must 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 must match the name of the Contractor identified as the contracting party in this Contract. Certificates must 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.

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

County of Los Angeles
Department of Children and Family Services
Contracts Administration
Attention: Jeffrey Martinez-Flores, Contract Analyst at.
Martij7@dcfs.lacounty.gov
510 Vermont Avenue, 14th Floor
Los Angeles, CA 90020
Contractorinsurance@dcfs.lacounty.gov

- Contractor also must 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 must 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.

8.24.3 Additional Insured Status and Scope of Coverage

The County, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) must 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 the County. County and its Agents additional insured status must apply with respect to liability

and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also must apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.4 Cancellation of or Change in Insurance

Contractor must provide County with, or Contractor's insurance policies must contain a provision that County will 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 must be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for 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 the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8.24.5 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance will 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, the 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.

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Must Be Primary

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

8.24.8 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the

Required Insurance for any loss arising from or relating to this Contract. The Contractor must require its insurers to execute any waiver of subrogation endorsements which may be necessary to effectuate such waiver.

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies will not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the 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 must be executed by a corporate surety licensed to transact business in the State of California.

8.24.11 Claims Made Coverage

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

8.24.12 Application of Excess Liability Coverage

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

8.24.13 Separation of Insureds

All liability policies must 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.

8.24.14 Alternative Risk Financing Programs

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

8.24.15 County Review and Approval of Insurance Requirements

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

8.25 Insurance Coverage

8.25.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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

8.25.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance must 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.

8.25.3 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 must include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer. The written notice must be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. If applicable to Contractor's operations, coverage also must be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 Unique Insurance Coverage

- **Sexual Misconduct Liability**

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$1 million per claim and \$1 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

- **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 will maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

- **Cyber Liability Insurance**

The Contractor must secure and maintain cyber liability insurance coverage with limits of \$2 million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding, defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor must add the County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, will not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

8.26 Liquidated Damages

- 8.26.1** If, in the judgment of the Director, or their designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed

hereby, the Director, or their designee, at their option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Director, or their designee, in a written notice describing the reasons for said action.

8.26.2 If the Director, or their designee, determines that there are deficiencies in the performance of this Contract that the Director, or their designee, deems are correctable by the Contractor over a certain time span, the Director, or their designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director, or their designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages will be agreed upon at such time and that the Contractor will be liable to the County for liquidated damages in said amount. Said amount will be deducted from the County's payment to the Contractor; and/or (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in Paragraph 8.26.2 must not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.26.4 This Paragraph must not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Paragraph 8.26.2, and must not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

8.27 Most Favored Public Entity

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

district of the State at prices below those set forth in this Contract, then such lower prices must be immediately extended to the County.

8.28 Nondiscrimination and Affirmative Action

8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti discrimination laws and regulations.

8.28.2 Contractor certifies to the County each of the following:

- That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
- That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
- That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.

8.28.3 The Contractor must 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 must include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.28.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

- 8.28.6** The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 when so requested by the County.
- 8.28.7** If the County finds that any provisions of this Paragraph 8.28 have been violated, such violation will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Civil Rights Department or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations will constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.28.8** The parties agree that in the event the Contractor violates any of the anti discrimination provisions of this Contract, the County will, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.29 Non Exclusivity

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

8.30 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 must, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 Notice of Disputes

The Contractor must bring to the attention of the County's Program Manager any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Program Manager is not able to resolve the dispute, the Director, or designee will resolve it.

8.32 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor must notify its employees, and will 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 must be provided in accordance with the requirements set forth in [Internal Revenue Service Notice No. 1015](#).

8.33 Notices

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

8.34 Prohibition Against Inducement or Persuasion

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

8.35 Public Records Act

8.35.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 8.37 (Record Retention and Inspection/Audit Settlement) of this Contract; as well as those documents which were required to be submitted in response to the Invitation for Bids (IFB) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and will be regarded as public records except for those documents determined to be non-disclosable or exempt pursuant to [California Government Code sections 7921.000 et seq.](#) and which are marked "trade secret", "confidential", or "proprietary". The County will not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

8.36 Publicity

8.36.1 The Contractor must not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided

hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County will not inhibit the Contractor from publishing its role under this Contract within the following conditions:

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

8.36.2 The Contractor may, without the prior written consent of County, indicate in its bids and sales materials that it has been awarded this Contract with the County, provided that the requirements of this Paragraph 8.36 (Publicity) will apply.

8.37 Record Retention and Inspection-Audit Settlement

8.37.1 The Contractor must maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor must also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, will 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, will be kept and maintained by the Contractor and will be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material must be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside of Los Angeles County, then, at the County's option, the Contractor will pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.2 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor must file a copy of such audit report with the County's Auditor Controller within thirty (30) days of the Contractor's receipt thereof,

unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County will make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.3 Failure on the part of the Contractor to comply with any of the provisions of this Paragraph 8.37 will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

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

8.38 Recycled Bond Paper

Consistent with the Board policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.39 Subcontracting

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

8.39.2 If the Contractor desires to subcontract, the Contractor must provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.39.3 The Contractor must indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same

manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

- 8.39.4** The Contractor will remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.39.5** The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.39.6** The County's Program Manager is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor must forward a fully executed subcontract to the County for their files.
- 8.39.7** The Contractor will be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.39.8** The Contractor must obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. Before any Subcontractor employee may perform any work hereunder, Contractor must ensure delivery of all such documents to County Program Manager.

8.40 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), will constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice will be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.42 (Termination for Default and pursue debarment of the Contractor), pursuant to [County Code Chapter 2.202](#).

8.41 Termination for Convenience

- 8.41.1** This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effectuated by notice of termination to the Contractor specifying the extent to which

performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten (10) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor must stop work under this Contract on the date and to the extent specified in such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract must be maintained by the Contractor in accordance with Paragraph 8.37 (Record Retention and Inspection/Audit Settlement).

8.42 Termination for Default

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

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

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

8.42.3 Except with respect to defaults of any Subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.42.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or

contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor will not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Paragraph 8.42.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

8.42.4 If, after the County has given notice of termination under the provisions of this Paragraph 8.4, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 8.42, or that the default was excusable under the provisions of Paragraph 8.42.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Paragraph 8.41 (Termination for Convenience).

8.42.5 The rights and remedies of the County provided in this Paragraph 8.42 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.43 Termination for Improper Consideration

8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the County will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.43.2 The Contractor must immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>.

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

8.44 Termination for Insolvency

- 8.44.1** The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

- 8.44.2** The rights and remedies of the County provided in this Paragraph 8.44 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.45 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each County Lobbyist or County Lobbying firm as defined in [County Code Section 2.160.010](#) retained by the Contractor, must fully comply with the County's Lobbyist Ordinance, [County Code Chapter 2.160](#). Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance will constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.46 Termination for Non-Appropriation of Funds

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

8.47 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 will not be affected thereby.

8.48 Waiver

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

8.49 Warranty Against Contingent Fees

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

8.49.2 For breach of this warranty, the County will 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.

8.50 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](#).

8.51 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.50 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) will 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 10 days of notice will be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to [Los Angeles County Code Chapter 2.206](#).

8.52 Time Off for Voting

The Contractor must notify its employees, and must require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Contractor and subcontractors must keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

8.53 Compliance with County's Zero Tolerance Policy on Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County will require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this Paragraph will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

8.54 Compliance with Fair Chance Employment Hiring Practices

Contractor, and its subcontractors, must comply with fair chance employment hiring practices set forth in [California Government Code Section 12952](#) and [Chapter 8.300 of the Los Angeles County Code \(Fair Chance Ordinance for Employers\)](#). Contractor's violation of this Paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

8.55 Compliance with the County Policy of Equity

The contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected

characteristic, may subject the contractor to termination of contractual agreements as well as civil liability.

8.56 Prohibition from Participation in Future Solicitation(s)

A Bidder, or a Contractor or its subsidiary or Subcontractor ("Bidder/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Bidder/Contractor has provided advice or consultation for the solicitation. A Bidder/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Bidder/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision will result in the disqualification of the Contractor/Bidder from participation in the County solicitation or the termination or cancellation of any resultant County contract.

8.57 Injury and Illness Prevention Program

Contractor will be required to comply with the State of California's Cal OSHA's regulations. [California Code of Regulations Title 8 Section 3203](#) requires all California employers to have a written, effective Injury and Illness Prevention Program (IIPP) that addresses hazards pertaining to the particular workplace covered by the program.

8.58 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding

Pursuant to [Government Code Section 84308](#), Contractor and its Subcontractors, are prohibited from making a contribution of more than \$500 to a County officer for twelve (12) months after the date of the final decision in the proceeding involving this Contract. Failure to comply with the provisions of [Government Code Section 84308](#) and of this paragraph, may be a material breach of this Contract as determined in the sole discretion of the County.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Contractor's Charitable Activities Compliance

The County seeks to ensure that all County Contractors which receive or raise charitable contributions comply with California law, including the "Nonprofit Integrity Act of 2004", as approved and codified in California Government Code, [Sections 12580-12599.10](#), in order to protect the County and its taxpayers. The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. ([County Code Chapter 2.202](#))

9.2 Local Small Business Enterprise (LSBE) Preference Program

9.2.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified [in Chapter 2.204 of the Los Angeles County Code](#).

9.2.2 The Contractor will not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.

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

9.2.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, will:

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

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

9.3 Social Enterprise (SE) Preference Program

9.3.1 This Contract is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in [Chapter 2.205 of the Los Angeles County Code](#).

- 9.3.2** Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.
- 9.3.3** Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.
- 9.3.4** If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor will:

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

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

9.4 Disabled Veteran Business Enterprise (DVBE) Preference Program

- 9.4.1** This Contract is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in [Chapter 2.211 of the Los Angeles County Code](#).
- 9.4.2** Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.
- 9.4.3** Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation,

to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

9.4.4 If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor will:

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

Notwithstanding any other remedies in this Contract, the above penalties will also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Economic Opportunity of this information prior to responding to a solicitation or accepting a contract award.

9.5 Patent, Copyright and Trade Secret Indemnification

9.5.1 The Contractor must 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 the Contractor's work under this Contract. County will inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and will support the Contractor's defense and settlement thereof.

9.5.2 In the event any equipment, part thereof, or software 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, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, must either:

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

9.5.3 The Contractor will 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 the Contractor, in a manner for which the questioned product was not designed nor intended.

9.6 Former Forster Youth Consideration

9.6.1 Should Contractor require additional or replacement personnel after the effective date of this Contract to perform services set forth herein, Contractor must give consideration (after County employees and GAIN/START participants as described in Section 8.11) for any such position(s) to qualified former foster youth. Contractor must notify of any new vacant position(s) within Contractor's firm by sending via U.S. mail or email, a list denoting any position(s) for which hiring is anticipated to:

County of Los Angeles

Department of Children and Family Services
 Attention: Division Chief, Youth Development Services
 1933 South Broadway, 6th Floor
 Los Angeles, CA 90007
youthds@dcfs.lacounty.gov

9.6.2 The notice sent by Contractor must indicate the position(s)/title(s) for vacant or new employment opportunity, description of same, requirements/qualifications for position(s), anticipated pay rate or salary schedule, the location where application(s) may be sent, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position(s).

9.6.3 Contractor is exempt from the provisions of this Section if it is a governmental entity.

9.7 Capital Assets

Title to all capital assets purchased with County funds designated by the County for that purpose under this Contract must remain with County. A "Capital Asset" is defined hereunder as an equipment costing Ten Thousand Dollars (\$10,000) or more, with a useful life of more than one year. Such assets must be maintained and repaired by Contractor during the term of this Contract. Contractor must

provide an accounting of such assets at the termination or expiration of this Contract and must deliver same to County upon County's written request. Contractor must have an option upon the expiration or termination of the Contract to acquire such assets at a price to be mutually agreed upon by County and Contractor.

9.8 Information Security and Privacy Requirements

Contractor must comply with the requirements set forth in Exhibit H (Information Security and Privacy Requirements).

10.0 SURVIVAL

In addition to any terms and conditions of this Contract that expressly survive expiration or termination of this Contract by their terms, the following provisions will survive the expiration or termination of this Contract for any reason:

Paragraph 1.0	Applicable Documents
Paragraph 2.0	Definitions
Paragraph 3.0	Work
Paragraph 5.4	No Payment for Services Provided Following Expiration/Termination of Contract
Paragraph 7.6	Confidentiality
Paragraph 8.1	Amendments
Paragraph 8.2	Assignment and Delegation/Mergers or Acquisitions
Paragraph 8.6	Compliance with Applicable Laws
Paragraph 8.19	Fair Labor Standards
Paragraph 8.20	Force Majeure
Paragraph 8.21	Governing Law, Jurisdiction, and Venue
Paragraph 8.23	Indemnification
Paragraph 8.24	General Provisions for all Insurance Coverage
Paragraph 8.25	Insurance Coverage
Paragraph 8.26	Liquidated Damages
Paragraph 8.33	Notices
Paragraph 8.37	Record Retention and Inspection-Audit Settlement
Paragraph 8.41	Termination for Convenience
Paragraph 8.42	Termination for Default
Paragraph 8.47	Validity

Paragraph 8.48	Waiver
Paragraph 8.56	Prohibition from Participation in Future Solicitation(s)
Paragraph 8.58	Campaign Contribution Prohibition Following Final Decision in Contract Proceeding
Paragraph 9.5	Patent, Copyright and Trade Secret Indemnification
Paragraph 9.8	Information Security and Privacy Requirements
Paragraph 10.0	Survival

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
RAPID ENGAGEMENT & HOUSING PROGRAM
SERVICES CONTRACT #**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed on its behalf by the Director of the Department of Children and Family Services and the Contractor has subscribed the same through its authorized officers, as of the day, month and year first above written. The persons signing on behalf of the Contractor warrant under penalty of perjury that they are authorized to bind the Contractor in this Contract.

COUNTY OF LOS ANGELES

CONTRACTOR

By: _____

Brandon T. Nichols, Director
Department of Children
and Family Services

By: _____

Name

Title

Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF THE COUNTY COUNSEL
Dawyn R. Harrison, County Counsel

By: _____

David Beaudet, Senior Deputy County Counsel

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

RAPID ENGAGEMENT AND HOUSING PROGRAM

STATEMENT OF WORK



TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
1.0 PREAMBLE	1
2.0 SCOPE OF WORK.....	1
3.0 INTAKE AND SCREENING	3
4.0 QUALITY CONTROL	3
5.0 QUALITY ASSURANCE PLAN	3
6.0 QUALITY ASSURANCE MONITORING	5
7.0 RESPONSIBILITIES	5
8.0 REPORTING AND COORDINATION REQUIREMENTS.....	12
9.0 HOURS/DAY OF WORK.....	15
10.0 WORK SCHEDULES	15
11.0 UNSCHEDULED WORK.....	15
12.0 SPECIFIC WORK REQUIREMENTS	15
13.0 GREEN INITIATIVES	19
14.0 PERFORMANCE MEASUREMENTS	19

STATEMENT OF WORK ATTACHMENTS

- 1 Performance Requirement Summary
- 2 Performance Measurements
- 3 User Complaint Report (UCR)

1.0 PREAMBLE

The County seeks to collaborate with its community partners to enhance the capacity of housing and supportive services in order to improve the lives of Non-Minor Dependents, ages 18 to 21 in the Supervised Independent Living Placement (SILP) program. This is a countywide program serving all eight Service Planning Areas.

These efforts require, as a fundamental expectation, that the County contracting partners share the County and community's commitment to provide health and human services that support achievement of the County Shared Core Practice Model Mission, Values, Goals and Performance Outcomes.

The vision of the Department of Children and Family Services (DCFS) is that children thrive in safe families and supportive communities. To achieve this vision DCFS intends to practice a uniform service delivery model that measurably improves child safety, permanency, and access to effective and caring services by providing responsive, efficient, and high-quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, and communities. This philosophy of teamwork and collaboration is anchored in the County's shared values of:

1) Accountability; 2) A Can-Do Attitude; 3) Compassion; 4) Customer Orientation; 5) Integrity; 6) Leadership; 7) Professionalism; 8) Respect for Diversity; and 9) Responsiveness.

These shared values are encompassed in the County's Strategic Plan's three Goals:

1) Make investments that transform lives 2) Foster vibrant and resilient communities and 3) Realize tomorrow's government today.

1.1 Purpose

Non-Minor Dependents often lack the support and resources to successfully transition into adulthood. They are at significantly elevated risk of exploitation/victimization, substance abuse, emotional disorders, physical health concerns, unemployment and homelessness. Safe and reliable housing, with comprehensive supports and resources focused on emotional wellness, positive relationships, educational attainment and life-skills, and college/career goals are critical building blocks for success as an adult.

2.0 SCOPE OF WORK

2.1 Consistent with County and State priorities, and efficacy research, we are proposing a harm-reduction, trauma-informed, wraparound services housing model for young adults (18-21 years of age) in a Supervised Independent Living

Placement with the Los Angeles County Department of Children and Family Services.

- 2.2** Programming will be highly individualized and normalizing with access to comprehensive services and resources, to support each youth to successfully transition into adulthood with, secure housing, and supportive community resources that are consistent with their personal goals and ambitions.
- 2.3** Foundational to Contractor's approach is recognizing that foster youth are not defined (nor limited) by what has happened to them; rather they are only limited by their willingness to dream and their access to resources to pursue their dreams in a step-by-step manner. Programming will focus on engagement, hope building, and goal setting followed by co-development of concrete step-by-step actionable plans for achieving wellness, interpersonal, education/career, and long-term housing goals. A variety of resources in the community, such as mental health services, mentors, support, guidance, and resources to assist youths in achieving their goals.
- 2.4** Each youth will be provided assistance in locating their own individual apartment with a bathroom, kitchen, living and dining room area. Services and supports will be available to all participants, based upon their individual goals and plans.

2.5 Service Deliverables

The following services, supports and resources will be available to Non-Minor Dependent SILP participants:

- 2.5.1** Contractor must secure professional and paraprofessional staff will be available to provide support and to assist with housing navigation, assisting with developing education and/or career goals, enrolling in vocational/trade school or community college, a four-year university, in order to prepare them for the future while securing housing.
- 2.5.2** Contractor will support and assist with developing life, self-care and interpersonal skills.
- 2.5.3** Contractor's staff must act as mentors, fully vetted/background clearance completed, and tailored to the housing needs and individual education/career goals or interests of the SILP participants.
- 2.5.4** Contractor staff must receive training in motivational interviewing, understanding trauma, harm reduction, cultural diversity and gender identity, and conflict avoidance/resolution.
- 2.5.5** Contractor will provide housing navigation services, support, advocacy and education/career/life skills case management.

2.6 Target Population

Contractor's target population for the transitional age youth will be as follows:

2.6.1 Non Minor Dependent Youth ages 18-21; or

2.6.2 Youth participants in the DCFS SILP program who are seeking stable and affordable housing and supportive services within Los Angeles County.

3.0 INTAKE AND SCREENING

3.1 During business days, Monday through Friday, 8:00 am to 5:00 pm, DCFS Children's Social Worker (CSW) should consult with the Supportive Housing Division (SHD) to obtain a SILP Housing Navigation Intake Form (HNIF), or obtain online access for the documentation.

3.2 SHD staff will advise the CSW to complete and return the Housing Navigator Intake Form for review and forward to the CONTRACTOR for processing.

3.3 Contractor will review the HNIF and determine whether or not the SILP participant's application will be accepted. The CONTRACTOR may contact the CSW for more information.

3.4 For accepted applicants, the Contractor will provide additional information to CSW about the acceptance process.

4.0 QUALITY CONTROL

The Contractor must establish and utilize a comprehensive Quality Control Plan (QCP) to ensure the County receives a consistently high level of service throughout the term of the Contract. The QCP must be submitted to the County's Project Monitor for review. The QCP must include, but may not be limited to the following:

4.1 Method of monitoring to ensure that Contract requirements are being met;

4.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, must be provided to the County upon request.

4.3 Contractor must respond with a corrective action plan to any UCR received within 24 hours.

5.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in the Contract, Paragraph 8.15, County's Quality Assurance Plan (QAP). The county will issue a User Complaint Report to the contractor whenever a contractual discrepancy is identified. The contractor has 24 hours to respond with a corrective action plan.

- 5.1** Tracking and Adapting are critical components of the County Shared Core Practice Model, Consistent with the Model, the Contractor shall establish and maintain a QAP to assure the requirements of the Contract are met.
- 5.2** Contractor shall submit a draft QAP for evaluation to demonstrate how Contractor will self-monitor to ensure all of the requirements of the Contract will be met. A finalized copy of the plan shall be provided to the CPM within 30 days of the contract start date and as changes occur.
- 5.3** The original QAP and any revisions thereto shall include, but not be limited to the following:
- 5.3.1** A description of how the Protective Factors Framework outcomes will be measured.
 - 5.3.2** A description of how racial disparity and disproportionality will be addressed.
 - 5.3.3** A description of how the Contractor's service delivery model will align with the County Shared Core Practice Model, which includes engaging, teaming, assessment and understanding, planning and intervention, and tracking and adapting.
 - 5.3.4** Methods used to ensure that the quality of service performed fully meets the performance requirements set forth in this Statement of Work (SOW). Contractor shall include methods for identifying and preventing deficiencies in the quality of services performed before the level of performance becomes unacceptable.
 - 5.3.5** Methods for ensuring uninterrupted service to County in the event of a strike, pandemic, or any other potential disruption in service, which may include medical leaves, vacations, etc. by Contractor's employees.
 - 5.3.6** Contractor shall not utilize any employee or Independent Contractor whose work has been deemed deficient and unacceptable by County.
- 5.4** A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County, upon request.
- 5.5 County Observations**
- In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

6.0 QUALITY ASSURANCE MONITORING

The CPM, or other personnel authorized by County, will monitor and evaluate Contractor's performance under this Contract using the quality assurance procedures specified in this SOW. All monitoring will be conducted in accordance with the Contract, Terms and Conditions, County's Quality Assurance Plan.

- 6.1** Contractor shall be subject to a program review by County, at a minimum of once per year, for the period of the Contract. Contractor shall make available to DCFS, upon request, the following records for review.
 - 6.1.1** Personnel records pertaining to current, paid and volunteer staff;
 - 6.1.2** Participant case records;
 - 6.1.3** Subcontractor's records, including financial records.
- 6.2** Contractor shall submit a Corrective Action Plan (CAP) for any areas found to be deficient as a result of the technical review, including billing deficiencies, within 30 calendar days of the receipt of the Technical Review.
 - 6.2.1** Contractor shall fully cooperate with and participate in both the development and implementation of any proposed Quality Services Review (QSR). The CPM will review and have the final approval authority over the QSR component and its implementation process.
 - 6.2.2** Contractor shall track outcomes and maintain quantitative descriptive data pertaining to families and services delivered. Contractor shall use data to inform service delivery and may be called upon to present findings.

7.0 RESPONSIBILITIES

The County's and the Contractor's responsibilities are as follows:

COUNTY

7.1 Personnel

The County shall provide a County Program Manager (CPM) to coordinate the delivery of the services of this Contract with the Contractor's Program Director (CPD) as outlined in the Contract Section, Administration of Contract – County.

- 7.1.1** The CPM, from the County's Administration, or designated alternate, has full authority to monitor Contractor's performance in the day- to-day operation of this Contract.
- 7.1.2** The CPM will provide direction to the Contractor in areas relating to DCFS policy, information and procedural requirements.
- 7.1.3** The CPM, from the County's Administration, is responsible for the daily management of Contract operations and overseeing monitoring activities.

- 7.1.4** The CPM is not authorized to make any changes in the terms and conditions of this Contract and is not authorized to obligate the County and/or DCFS in any way whatsoever beyond the terms of this Contract.
- 7.1.5** County will provide SILP participant referrals to Contractor for those who meet eligibility requirements.
- 7.1.6** CPM will meet with Contractor at least quarterly, at minimum, as scheduled per mutual agreement.
- 7.1.7** County will provide relevant guidelines referenced herein to Contractor at the outset of this agreement.
- 7.1.8** The number of SILP placements is contingent on the number of participants requiring housing navigation and referrals directed to the Contractor. Contractor shall provide services to all SILP participants that are interested in being referred to the housing navigation program, and shall serve additional participants based on capacity and funding availability.

CONTRACTOR

7.2 Contractor's Program Director

- 7.2.1** As required in the Contract Section 7.0, Administration of Contract – Contractor, Contractor shall designate a CPD to be responsible for the daily management of the Contract operations and overseeing the work to be performed by Contractor as defined in this SOW. Contractor shall be responsible to ensure that all services outlined in the SOW will be available to address the regional office needs, except where exceptions are noted. The CPD is from the Contractor's Administration.
- 7.2.2** The CPD shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with CPM during the daily operation of this Contract, and shall be available during the County's regular business hours of Monday through Friday, from 8:00 a.m. to 5:00 p.m., to respond to County inquiries and to discuss problem areas.
- 7.2.3** Contractor shall inform the CPM, as soon as information becomes available, either by telephone, electronically, or in-person, of any serious child or family incident, or fatality. Contractor shall deliver to the CPM copies of all related records within 24 hours.
- 7.2.4** Contractor agrees that any work performed outside the scope of this SOW shall be deemed a gratuitous act on the part of Contractor and, therefore, Contractor shall have no claim against County and/or DCFS for any such work.
- 7.2.5** Contractor shall not schedule or conduct any meetings or negotiations under this Contract on behalf of the County and/or DCFS.

- 7.2.6** The CPD shall attend monthly Continuous Quality Improvement (CQI) meetings for the Rapid Engagement and Housing Program for Non-Minor Dependents, service delivery model. Contractor's Program Director and Team staff shall attend all required training.
- 7.2.7** The CPD, or appropriate representative, shall attend all required training and meetings as determined by County. At a minimum, quarterly meetings are to be scheduled by County.
- 7.2.8** Contractor shall ensure staff, volunteers, and interns providing program services are able to provide services in a manner that effectively responds to differences in cultural beliefs, sexual orientation, behaviors and learning, and communication styles within the community serviced.
- 7.2.9** Contractor shall notify the CPM in writing of any change(s) in Contractor's key personnel (i.e. Program Managers, Executive Directors, etc.) at least seven business days before proposed change(s), including name of new personnel. Contractor shall ensure that no interruption of services occur as a result of the change in personnel.
- 7.2.10** The CPD shall notify the CPM of all staff changes, including, but not limited to hiring and terminations. Contractor shall provide the CPM at the beginning of each Contract term and within 15 calendar days of any staff change(s), a roster of all staff that includes:
- Name and position;
 - Work schedule; and
 - FAX, telephone number, and e-mail address.
- 7.2.11** Contractor shall maintain the following documentation in the personnel files of all professional and paraprofessional staff, registered interns, and volunteer staff, that includes:
- Confidentiality Agreements;
 - Employment Eligibility Verification (I-9 form);
 - Staff providing direct client contact and transporting youths, Driver's License and Auto Insurance;
 - Criminal clearances and subsequent arrests;
 - All training hours and topics;
 - Copies of and state approved Evidence Based Practice (EBP) training.
- 7.2.12** Contractor shall respond to referrals for housing navigation assessment and intervention as soon as reasonably possible and no later than within five (5) business days, using culturally competent practices in homeless assistance and prevention.

- 7.2.13** Contractor shall provide housing navigation services designed to assist clients to maintain or obtain stable, permanent housing. A plan to address program participant barriers and maintain permanent housing will be followed by Contractor as provided by referral source, or as developed by Contractor. The Housing Navigator shall identify each area in which clients will need assistance to accomplish the outlined goals and objectives (i.e., scheduling appointments, applying for public benefits, accessing education and work-related resources, as well as identifying subsidized housing, etc.).
- 7.2.14** Contractor shall identify appropriate permanent housing options for clients such as subsidized housing, Foster Youth and Independence (FYI) and Family Unification Program (FUP) through the U.S. Department of Housing and Urban Development, permanent supportive housing, affordable and market rate housing, and other housing opportunities.

7.3 Personnel

Contractor shall be responsible for securing and maintain professional and paraprofessional staff, interns and volunteers who meet the minimum qualifications below, and who possess sufficient experience and expertise required to provide services required in this SOW and meets the requirements identified in the Contract.

- 7.3.1** Criminal Clearances: Contractor shall ensure that criminal clearances with subsequent arrest notification and background checks have been conducted for all Contractor's staff and volunteers, as well as, all Subcontractors' staff, prior to beginning and continuing work under any resulting Contract. The cost of such criminal clearances and background checks is the responsibility of the Contractor and Subcontractors, whether or not the staff member passes or fails the background and criminal clearance investigations (also referenced in the Contract, Terms and Conditions, and Background and Security Investigations).
- 7.3.2** Language Ability: Contractor's personnel, as well as all Subcontractor staff who are performing services under this Contract, shall be able to read, write, speak, and understand English in order to conduct business with the County. In addition to having competency in English, the Contractor shall ensure there is a sufficient number of bilingual staff to meet the language needs of the community served, including the various Asian and Pacific Islander languages which will be serviced countywide by an awarded Contractor. Contractor shall use language interpreted services to meet the language needs of the SILP participant.
- 7.3.3** Service Delivery: Contractor shall ensure all staff providing program services are able to provide services in a manner that effectively

responds to differences in cultural beliefs, behaviors and learning, and communication styles within the community Contractor provides services. Best efforts shall be made regarding eliminating Racial Disparity and Disproportionality concerns and full adherence to the Core Practice Model.

- 7.3.4** Driver's License: Contractor shall maintain copies of current driver's licenses, including current copies of proof of auto insurance of staff providing transportation of SILP participants. County reserves the right to request copies of driver's license and proof of auto insurance.
- 7.3.5** Driving Record: Contractor shall maintain copies of driver's Department of Motor Vehicles (DMV) printouts for all Contractor's drivers providing service under this Contract. Reports shall be available to the CPM on request. County reserves the right to request DMV check on Contractor's and Subcontractors' drivers once a year.
- 7.3.6** Housing Navigator (Advocate/Case Manager): The Housing Navigator shall have two-years of experience with providing housing navigation expertise be defined as Contractor paid staff who provides direct client services.
- 7.3.7** Paraprofessional Staff (Youth Care Counselor): Paraprofessional staff shall have a minimum of six months experience providing direct client services in a social service setting.
- 7.3.8** Program Director/Program Manager: The Contractor's Program Director/Manager (CPD) shall have, at minimum, a Bachelor's degree in social services, urban studies, or business and a minimum of three experience within the last five years.

7.4 Outreach and Relationship Management

- 7.4.1** Contractor shall conduct outreach to identify persons ages 18 to 21, with a focus on those who are currently or are currently in SILP program, and are experiencing homelessness and eligible for the TAY housing focused case management and housing navigation assistance.
- 7.4.2** Contractor shall perform outreach to community, business owners, realtors, landlords, housing developers, and community service providers to identify new and existing opportunities and build strong relationships to better assist clients in accessing resources, employment, supportive services, and housing opportunities.
- 7.4.3** Within the initial thirty to sixty (30-60) days of this agreement term, Contractor shall make initial contact with a minimum of fifteen (15) local property management agencies, and/or subsidized apartment complexes and follow-up with regular contact at least monthly, in order

to establish direct lines of communication in an effort to ensure landlords proactively reach out to Contractor as well.

- 7.4.4** Contractor shall conduct outreach, engagement and housing identification activities to identify units which meet participant's ability to pay maximum rental budget, desired size and location needs of program participants who are actively searching for housing.
 - 7.4.5** Contractor shall conduct outreach to the Los Angeles Homeless Services Authority (LAHSA) Continuum of Care and other organizations and individuals involved in the local homelessness system to ensure all eligible Non-Minor Dependents who are SILP participants are referred to available programs for assistance. As a result, Contractor may provide referrals on behalf of participant directly to programs, or may coordinate with system partners who may provide referrals for the client.
 - 7.4.6** Contractor shall mediate tenancy concerns with landlords and neighbors as needed and provide written information about landlord/tenant rights and responsibilities to landlord and tenant. Contractor shall review and explain the requirements of lease/rental agreements to assist SILP participants with understanding their responsibilities.
 - 7.4.7** Contractor shall actively participate in the quarterly Supportive Housing Division's meeting to discuss program opportunities and challenges. This participation may include but is not limited to collaborative meetings, networking with other agencies, coalitions and local community meetings.
 - 7.4.8** Contractor shall actively participate in any number of the designated LAHSA housing workgroup community meetings. This participation may include, but is not limited to, collaborative meetings and networking with other agencies and coalitions.
 - 7.4.9** Contractor shall agree to the Data Privacy and Security Confidentiality Agreement and Non-Discrimination Agreement. Contractor may also be required to finalize additional County privacy and security training.
- 7.5 Training**
- 7.5.1** Contractor shall train all professional and paraprofessional staff, case managers, youth care counselors, and subcontractors providing program services within 30 business days for full-time staff. Part time staff may have a maximum of three months from their start date to complete 40 hours of housing navigation training.
 - 7.5.2** Training shall consist of a minimum of 40 hours to include, but not limited to:
 - identifying child safety issues (including intimate partner violence, substance use and mental health issues);

- DCFS Core Practice Model;
- Working with diverse populations (including LGBTQIA2S+, minority populations, disabled, etc.);
- Implicit bias;
- The state approved Evidence Based Practice; and
- County reserves the right to request training records.

7.5.3 Contractor shall ensure all professional and paraprofessional staff, case Manager, interns, volunteers and Subcontractors' staff providing services receives regular, ongoing in-service training and supervision. Contractor's staff shall receive a minimum of 32 hours of training each fiscal year. Licensed staff shall show proof of trainings. County reserves the right to request training records.

7.5.4 Contractor shall conduct weekly supervision reviews with all professional staff, paraprofessional staff, registered interns, mentors, and volunteers, and shall ensure that Subcontractors' meet the same requirement. Contractor shall keep all records pertaining to the supervision of staff in providing services, including but not limited to, supervision logs, agendas, and documentation of issues discussed in supervision. County reserves the right to request supervision records.

7.5.5 CPD and Housing Navigator, or their designee, shall attend a mandatory orientation that shall be provided by County within 30 days of the Contract start date. Contractor shall be notified at least two weeks in advance of the date, time and location of the orientation. Contractor shall ensure that all Subcontractors attend this mandatory orientation as well.

7.6 Contractor's Office

Contractor must maintain an office with a telephone in the company's name where Contractor conducts business. The office must be staffed during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service must be provided to receive calls. The Contractor must answer calls received by the answering service within two (2) hours of receipt of the call.

7.7 Mutual Responsibilities

7.7.1 County and Contractor shall meet quarterly, at minimum, as scheduled per mutual agreement.

7.7.2 County will coordinate with Contractor to secure access to necessary technology needed to support outreach efforts – primarily for access and utilization. County will coordinate with Contractor to secure access to meeting SILP participants as desired and applicable.

- 7.8 All changes must be made in accordance with Paragraph 8.1, Amendments, of the Contract.

8.0 REPORTING AND COORDINATION REQUIREMENTS

8.1 Budget Modification

- 8.1.1 Transfers between budget categories within a specific fiscal year may be made only through a budget modification, which must be requested to the County in writing by the Contractor in advance of the modification, providing the transfer is less than 30 percent (cumulative), is within a single budget suffix the approved, and within the total original fiscal year budget.
- 8.1.2 Budget modification requests must be received no later than May 1st of the fiscal year in which the budget modification is applicable and must have prior approval by County authorized staff to be approved.
- 8.1.3 Other transfers of funds may only be approved only through written approval of the Board of Supervisors and execution of a contract amendment. Contract amendments must be requested two calendar months prior to the proposed effective date of the amendment to allow time for the Board approval process.

8.2 Invoices

- 8.2.1 Contractor shall provide monthly invoices, along with required supporting documentation, using an invoice template and/or web-based database created by County, documenting services costs.
- 8.2.2 Monthly invoices shall be submitted via email to County authorized staff at scoggm@dcfs.lacounty.gov within 30 calendar days following the end of the month in which the services were provided, with the exception of year-end invoices for May and June.
- 8.2.3 Contractor shall submit May and June invoices for specific fiscal year by 5 p.m. on the first calendar Friday of June in the specific fiscal year. This date is subject to change. County will provide notice of any changes 30 calendar days prior to the effective date of the change.
- 8.2.4 Contractor shall submit invoices for approval by County staff via email to scoggm@dcfs.lacounty.gov All supporting invoice documentation shall be maintained by Contractor and provided for informational purposes as applicable to invoice period and may additionally be requested by County in writing with five (5) business days advance notice.
- 8.2.5 Contractor's travel expenditures are included in the Contractor's budget.

8.3 Reports and Record Keeping

- 8.3.1** County shall develop a spreadsheet for Contractor's tracking of contacts with local property management agencies, and/or subsidized apartment complexes, as well as other housing locations. This spreadsheet will be accessible to the Contractor in order to provide County with summary data as well as backup detail regarding these contacts.
- 8.3.2** Contractor shall collect data for SILP participants as needed in order to complete the County's required aggregate and individualized monthly reports, as defined by County at the outset of this agreement; and shall provide updated data to County by the 15th calendar day of each month.
- 8.3.3** Contractor shall submit Semi-Annual Progress Reports that reflect program budget issues/challenges as well as stated participant outcomes as noted herein page 1 of this SOW. Contractor shall use a reporting template created by the County, which are due January 31st and July 31st of each fiscal year. Failure to submit Semi-Annual Reports by the dates due may result in the withholding of payment for invoices until the report is submitted. The County reserves the right to request a Quarter 3 progress report, covering January through March, due by April 30 for each fiscal year of this contract term.
- 8.3.4** Contractor shall use the appropriate forms in the Exhibits attached to this Contract, exactly in the format they appear, or any designated form(s) selected by County. County reserves the right to add, revise and/or replace any exhibit/form during the Contract period.
- 8.3.5** Contractor shall submit to CPM and CSW a Monthly Progress Report (see below) for the previous month's participant intake. The report shall be attached to the monthly billing invoice and transmitted via e-mail to the assigned Contract Program Monitor by the 20th of each month. E-mail(s) will be provided upon execution of contract.
- 8.3.6** Billing and all supporting documentation (signed invoices/billing) shall be submitted no later than the 30th day of the next month via email (e-mail addresses to be provided upon execution of contract), and mail to the following address:
- DCFS' Fiscal Operations Division
510 S. Vermont Ave., 14th Floor
Los Angeles, California 90020
- 8.3.7** Contractor shall maintain and make available to CPM upon request all verification of meetings held or attended.

8.4 Case Records

8.4.1 Contractor shall maintain case records on each SILP participant served. Case records must be hard copies, documents or other DCFS approved system and DCFS approved forms.

8.4.2 Contractor is responsible for maintaining open cases in a secured location. Contractor is responsible for maintaining closed case records in a secured location for all services provided for five years after each fiscal year.

8.5 Monthly Progress Reports and Daily Reporting

8.5.1 Monthly Progress Reports

Monthly progress reports for each SILP participant shall be completed by the Contractor's staff, and at minimum, contain the following:

- Name of placement agency, CSW, Supervising Children's Social Worker (SCSW), DCFS regional office, and participant acceptance date, etc.
- Non-Minor Dependent's demographic and identifying information; including name, date of birth, gender identification, date of entry, date of discharge, etc.
- Non-Minor Dependent's specific needs, such as alcohol or substance use history, mental health conditions, LGBTQ+ identification, etc.
- Contractor shall provide the Monthly Report to the assigned CSW and respective CPM.

8.5.2 Daily Reporting

- Contractor shall maintain a log of each youth in its program, and report youth entries and exits on a daily basis to CPM.

8.6 Contract Management

8.6.1 Documentation of service objectives and outcomes as well as other services provided under this agreement shall be completed by Contractor in the County's required Tracking Spreadsheet, within two working days of the changes being identified.

8.6.2 Contractor shall maintain complete and accurate documentation in accordance with County guidelines for each participant. All guidelines for documentation will be provided by County at the outset of this agreement.

8.6.3 Contractor shall obtain a completed release of information form from each participant providing permission to share client level data with identified housing partners.

9.0 HOURS/DAY OF WORK

The Contractor is not required to provide services on [County-recognized holidays](#).

10.0 WORK SCHEDULES

- 10.1** Contractor must submit for review and approval a work schedule for each facility to the County's Project Director within three (3) days prior to starting work. Said work schedules must be set on an annual calendar identifying all the required on-going maintenance tasks and task frequencies. The schedules must list the time frames by day of the week, morning, and afternoon the tasks will be performed.
- 10.2** Contractor must submit revised schedules when actual performance differs substantially from planned performance. Said revisions must be submitted to the CPM for review and approval within three (3) working days prior to scheduled time for work.

11.0 UNSCHEDULED WORK

- 11.1** The CPM or their designee may authorize the Contractor to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third party negligence; or to add to, modify or refurbish existing facilities.
- 11.2** Prior to performing any unscheduled work, the Contractor must prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds the Contractor's estimate, the County's Project Director, or their designee, must approve the excess cost. In any case, no unscheduled work will commence without written authorization.
- 11.3** When a condition exists wherein there is imminent danger of injury to the public or damage to property, Contractor must contact County's Project Director for approval before beginning the work. A written estimate must be sent within twenty-four (24) hours for approval. Contractor must submit an invoice to County's Project Director within five (5) working days after completion of the work.
- 11.4** All unscheduled work must commence on the established specified date. Contractor must proceed diligently to complete said work within the time allotted.
- 11.5** The County reserves the right to perform unscheduled work itself or assign the work to another Contractor.

12.0 SPECIFIC WORK REQUIREMENTS

- 12.1** Contractor shall create and maintain documentation of service objectives and outcomes within two working days from when services were rendered. If changes to the documentation are necessary, Contractor shall make the changes within two

working days of the changes being identified. Contractor shall maintain complete and accurate documentation in accordance with the County's SOW.

- 12.2** Contractor shall obtain a completed Release of Information form from each SILP participant, providing permission to share client level data with identified housing partners.

Housing Navigation and Housing Focused Case Management Services

- 12.3** Contractor shall conduct outreach to engage eligible SILP participants with a focus on those who have unstable housing.
- 12.4** Contractor shall provide housing navigation services, including housing search and landlord engagement activities, in order to secure appropriate permanent and/or stable housing for participants.
- 12.5** Contractor shall provide housing case management to facilitate participants' ability to maintain their housing.

Homeless Prevention Services

- 12.6** Contractor shall provide care coordination including developing linkages to key resources across the community, including those from within DCFS, as well as the LAHSA Continuum of Care.
- 12.7** Contractor shall provide assistance with attaining and maintaining a Family Unification Program (FUP) or Foster Youth to Independence (FYI) voucher application including:
- Completing the application including attaining all required supporting documentation to attending all meetings with the Public Housing Authority.
 - Addressing any concerns from the Public Housing Authority regarding the participant's application.
 - Working with the Public Housing Authority's housing inspectors to ensure identified units meet voucher requirements, including mediating issues as applicable.
 - Completing annual voucher re-certification and providing case management for a minimum of 18-months post-housing for participants using the FYI or FUP voucher.
- 12.8** Contractor shall connect participants to additional supports and resources based upon each participant's needs and situation including accessing employment opportunities, health care resources, and mainstream benefits including:
- Identifying additional financial supports to assist participants attain and maintain housing as needed.
 - Development of money management skills including the use of credit, debt and savings accounts, household budgeting, providing instruction to understand renter's rights and responsibilities, including independent living

skills, addressing roommate relationships, and developing and utilizing conflict resolution skills.

- Conducting assessments of educational and career training desires and opportunities, and facilitate connections to applicable resources.
- Addressing transportation needs, including identifying counseling and support groups, and providing support in mediating conflicts with landlords, roommates, or neighbors.

Supportive Services

- 12.9** Contractor shall respond to referrals for housing focused case housing navigation assessment and intervention as soon as reasonably possible and no later than within five (5) business days, using culturally competent practices in homeless assistance and prevention.
- 12.10** Contractor shall provide individualized housing navigation and housing focused case management services to participants to assist them to attain and maintain permanent housing.
- 12.11** Contractor shall develop a housing plan in partnership with each participant. The SILP participant's County/DCFS six-month Transitional Plan prepared by the Children's Social Worker will enable the CONTRACTOR to focus on the specific needs of the participant.
- 12.12** Contractor shall, in partnership with each participant, submit a completed an FYI or FUP voucher application, including all required documentation, to the local Public Housing Authorities.
- 12.13** Contractor shall accompany participants to all Public Housing Authority meetings related to implementation of participants' FUP or FYI vouchers.
- 12.14** Contractor shall identify appropriate permanent housing options for participants based upon participant's individualized needs and preferences.
- 12.15** Contractor shall provide case coordination activities to facilitate participants' access to services and assistance to facilitate their ability to attain and maintain housing and meet their specific housing plan goals.

Additional Terms and Conditions

- 12.16** Corrective Action: Contractor shall perform the agreed upon services detailed in this SOW, submit timely invoices and reports, and work to meet agreed upon outcomes as detailed herein. Contractor's failure to provide any of these agreed upon terms may result in a Corrective Action request. Corrective Action requests will specify ongoing problems in the performance of these contract terms and a deadline by which to rectify problems and will also require the Contractor to submit a brief Corrective Action Plan detailing how ongoing problems will be resolved.

Failure to adequately address steps outlined in the Corrective Action Plan may result in the withholding of payment on invoices and/or termination of the contract.

- 12.17** Federal Funding: Contractor shall certify that they are neither suspended, debarred, nor proposed for debarment from receiving federal funds; declared ineligible to receive federal funds; or voluntarily excluded from participation in covered transactions by any federal department or agency.
- 12.18** Uninterrupted Provision of Services: In order to maintain uninterrupted services under this agreement, the Contractor shall ensure that the budgeted staffing for the contracted services are maintained, which includes providing coverage for staff vacancies or leaves of more than two weeks. Additionally, Contractor program and direct service staff shall be replaced within 90 days of the start of staffing vacancies.
- 12.19** Notification of Personnel Changes: In the event of key personnel changes or leaves of more than two weeks for positions funded by this agreement (e.g., executive director, manager of contracted program, direct service staff), CONTRACTOR shall report changes to the County within 10 business days of occurrence.
- 12.20** Instruction: Contractor shall provide this State of Work to all of its employees who conduct activities under this contract, so that Contractor's staff clearly understands expected activities per this agreement. Contractor shall train any new employees who work in any capacities related to the provisions of this contract, in the requirements of this contract.
- 12.21** Consistency of Service: Prior to refusing services to any potential program participant referred by County, Contractor shall conduct an assessment, report the reason for refusal of services to County, and obtain approval from the appropriate CPM.
- 12.22** Number of Referrals: In the event that the number of referrals made by the County exceeds the maximum amount detailed in this scope of work, or if program enrollments are anticipated to fall short of the target, the Contractor shall notify County authorized staff as soon as the issue is identified.
- 12.23** Publicity and Outreach: Contractor shall agree to obtain County approval prior to use for all contracted program marketing materials, including but not limited to flyers, brochures, written success stories, social media posts, and website information.
- 12.24** Media Inquiries: Should the Contractor receive press/media inquiries regarding the services provided through this contract, the Contractor shall notify the DCFS Office of Public Affairs of the inquiry, at 000-000-0000. Press/media may also be referred directly to the PIO for additional information. When communicating with press/media regarding the services provided through this contract, the Contractor

shall also specify that the contracted program(s) receive(s) funding from the County of Los Angeles' Justice Care and Opportunities Department.

13.0 GREEN INITIATIVES

13.1 Contractor must use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.

13.2 Contractor must notify CPM of Contractor's new green initiatives prior to Contract commencement.

14.0 PERFORMANCE MEASUREMENTS

The County of Los Angeles' Department of Children and Family Services (DCFS) intends to enter into an agreement with (Contractor) to provide to Housing Navigation and Housing Focused Case Management services to facilitate young adults ages 18 to 21, with a priority on non-minor dependents in foster care to overcome barriers to attaining and maintaining housing and associated supportive services. The contractor is expected to provide eligible transitional-age youth with the services described in Attachment 2: Performance Measurements.

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

REQUIRED SERVICES	PERFORMANCE STANDARD	MONITORING METHOD	REMEDIES FOR NON-COMPLIANCE WITH PERFORMANCE REQUIREMENTS
CONTRACTOR shall develop and maintain a log of SILP intake referrals	100% compliance for all required services	COUNTY monitors CONTRACTOR compliance with the Contract.	The County may terminate this contract in accordance with Section 8.42, Termination for Default if the whole or any part of this Contract, if, in the judgment of the CPM, Contractor has materially breached or if CONTRACTOR receives a written notice (Including User Complaint Report/ UCRs) noting noncompliance with the SOW. In this instance, CONTRACTOR shall submit to the CPM a response within 24 hours to a written corrective action plan to the COUNTY for review and approval in accordance with section 4.0 quality control of the SOW.
CONTRACTOR shall provide ongoing housing navigation services, assist with education and/or career goals, development of interpersonal and	100% compliance for all required services	COUNTY monitors CONTRACTOR compliance with the Contract.	The County may terminate this contract in accordance with Section 8.42, Termination for Default if the whole or any part of this Contract, if, in the judgment of the CPM, Contractor has materially breached or if

self-sufficiency skills for SILP participants			CONTRACTOR receives a written notice (Including User Complaint Report/ UCRs) noting noncompliance with the SOW. In this instance, CONTRACTOR shall submit to the CPM a response within 24 hours to a written corrective action plan to the COUNTY for review and approval in accordance with section 4.0 Quality Control of the SOW.
CONTRACTOR shall provide ongoing mentorship, and guidance through advocacy and community support resources.	100% compliance for all required services	COUNTY monitors CONTRACTOR compliance with the Contract.	The County may terminate this contract in accordance with Section 8.42, Termination for Default if the whole or any part of this Contract, if, in the judgment of the CPM, Contractor has materially breached or if CONTRACTOR receives a written notice (Including User Complaint Report/ UCRs) noting noncompliance with the SOW. In this instance, CONTRACTOR shall submit to the CPM a response within 24 hours to a written corrective action plan to the COUNTY for review and approval in accordance with section 4.0 Quality Control of the SOW.

PERFORMANCE MEASUREMENTS

Number of services provided (annual measures)	Quality of services provided	Overall desirable outcome
Provide housing navigation and housing-focused case management services to all interested SILP participants during a 12-month period.	One-hundred percent (100%) of initial intake assessments will be completed within five-days of meeting with a new participant Data collection tool: County designed spreadsheet	One-hundred percent (100%) of participants served will have their housing plan documented on the Excel tracking spreadsheet.
All interested SILP participants seeking housing navigation services will receive housing-related outreach resources while in the SILP program.	Number of SILP participants that are housed within 90-days of CONTRACTOR receiving housing referral for services. Data collection tool: Excel Tracking Spreadsheet.	Eighty-percent (80%) of participants will be in stable housing prior to exiting program.
Twenty-five 25 participants will receive assistance in completing a Family Unification Program (FUP) or Foster Youth Independence (FYI) voucher application on an annual basis.	Ninety-percent (90%) of program participants will have a completed FUP or FYI voucher application submitted to the local housing authorities within one month of entering the program. Data collection tool: Excel Tracking Spreadsheet.	One-hundred percent (100%) of eligible participants will have an opportunity to access to a FUP or FYI voucher as a means of securing stable housing.

USER COMPLAINT REPORT

RAPID ENGAGEMENT HOUSING PROGRAM

This form is to be used by DCFS users of Rapid Engagement Housing Program services to report service discrepancies. This User Complaint Report must be delivered to the County Program Manager for this Contract as described in the contract Scope Of Work.

DCFS Username:

Date of Report:

DCFS Office Address:

Phone No.

E-mail Address:

Date(s) of Incident(s)

Below, please check the appropriate boxes and explain each incident separately:

Contractor is not responding to messages.

Contractor is/was not available or not responding to messages.

Contractor is making staff changes without notification to the County.

Illegal or inappropriate behavior by Contractor.

Contractor is/or has not been submitting reports or maintaining records as required.

Contractor not complying with the quality assurance requirements as specified in the Contract.

Other (describe):

Exhibits A - H

STANDARD EXHIBITS

- A STATEMENT OF WORK
- B PRICING SCHEDULE
- C LINE ITEM BUDGET AND NARRATIVE
- D COUNTY'S ADMINISTRATION
- E CONTRACTOR'S ADMINISTRATION
- F FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION
 - F1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
 - F2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALTY AGREEMENT
 - F3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G AUDITOR CONTROLLER'S HANDBOOK
- H INFORMATION SECURITY AND PRIVACYREQUIRMENTS

RAPID ENGAGEMENT & HOUSING PRICING SCHEDULE

This Pricing Schedule contains the Contractor's hourly rate for providing all services, tasks, and deliverables provided by the Contractor pursuant to the terms and requirements of the Contract, to include costs of delivering Housing Navigation, assisting with developing education and/or career goals, and mentoring services as described in the Scope of Work (SOW).

By submission of this Bid, Bidder certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other Bidder or competitor for the purpose of restricting competition.

Name of Bidder	Hourly Rate

Date

Print Name and Title

Authorized Signature

SAMPLE LINE ITEM BUDGET SHEET

Contractor's
Name: _____

Service Category: _____ Date Prepared: _____

DIRECT COST (List each staff classification)

Payroll:	FTE*	Hourly Rate	Monthly Salary
Employee Classification	_____	\$ _____	\$ _____
Employee Classification	_____	\$ _____	\$ _____
Employee Classification	_____	\$ _____	\$ _____
Others (Please continue to list)			

Total Salaries and Wages \$ _____

*FTE = Full Time Equivalent Positions

Employee Benefits	No. of Employees	Monthly Cost per FTE
Medical Insurance	_____	\$ _____
Dental Insurance	_____	\$ _____
Life Insurance	_____	\$ _____
Other (list)	_____	\$ _____

Total Benefits \$ _____

Payroll Taxes (List all appropriate, e.g., FICA, SUI, Workers' Compensation, etc.)

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total Payroll Taxes \$ _____

Insurance (List Type/Coverage. See Part I, Subsection 6.11, of the Contract)

_____	\$ _____
_____	\$ _____
_____	\$ _____
Vehicles	\$ _____
Supplies	\$ _____
Services	\$ _____
Office Equipment	\$ _____
Telephone/Utilities	\$ _____
Other (please continue to list)	\$ _____

Total Insurance/Misc. S & S \$ _____

TOTAL DIRECT COSTS \$ _____

INDIRECT COST (List all appropriate)

General Accounting/Bookkeeping	\$ _____
Management Overhead (Specify)	\$ _____
Other (Specify)	\$ _____

TOTAL INDIRECT COSTS \$ _____

TOTAL DIRECT AND INDIRECT COST \$ _____

PROFIT (Please enter percentage: _____%) \$ _____

TOTAL MONTHLY COSTS \$ _____

** Attach a List of Cost Item Narratives

GENERAL INSTRUCTIONS FOR COMPLETING YOUR BUDGET NARRATIVE

(See SAMPLE Budget Narrative Below)

All proposals must have a narrative attached to the budget providing a thorough and clear explanation of all projected line item budget costs. The narrative must follow the same sequence as the line item budget, and include an explanation of the method of allocating costs for any joint or shared budget item. All figures and compilations must be clearly explained.

GENERAL INSTRUCTIONS:

The budget is comprised of both Budget Categories and Budget Line Items.

Budget Categories are the major classifications of expense shown on the Sample Line Item Budget Sheet: Payroll, Employee Benefits, Insurance, Indirect Cost, etc.

Budget Line Items are the individual cost items within each budget category. For example, budget line items within the Payroll category are the individual positions to be funded under this Contract.

The budget narrative must provide clear and complete descriptions that: (1) explain the purpose of each budget line item; (2) how the line item is directly connected to the provision of a given service; (3) the dollar amount requested for the item; and (4) the methodology used to calculate the amount, etc. For example:

<u>BUDGET AMOUNT</u>	<u>DESCRIPTION</u>
\$12,000	Contractor's Program Manager: This position will provide administrative supervision to the Program staff on this Contract and will be responsible for administering the Contract in accordance with the Statement of Work. The total amount requested for this line item is \$12,000 (\$2,500/mo x .40 x 12 months).

The methodology in the above example is calculated by multiplying each item, from left to right, as follows:

Monthly Salary (Total Monthly Salary for this Position)	Percent of Time (Allocated to Work on this Contract)	Number of Months (Allocated to Work on this Contract)
\$2,500	40%	12

The Budget Narrative must include all of the proposed budget line items within that budget category. For example, the narrative for "Payroll" or "Salaries" must include a description of each position to be funded under the contract. Use the same budget categories from your actual "Line Item Budget" in writing the narrative.

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR:

Name: _____
Title: _____
Address: _____

Telephone: _____
E-mail Address: _____

COUNTY'S CONTRACT ANALYST:

Name: _____
Address: _____

Telephone: _____
E-mail Address: _____

COUNTY'S PROJECT MANAGER:

Name: _____
Title: _____
Address: _____

Telephone: _____
E-mail Address: _____

COUNTY'S PROJECT MONITOR:

Name: _____
Title: _____
Address: _____

Telephone: _____
E-mail Address: _____

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: _____

CONTRACT NO. _____

CONTRACTOR'S PROJECT MANAGER:

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S):

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail Address: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail Address: _____

NOTICES TO CONTRACTOR:

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail Address: _____

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

NON-IT CONTRACTS

F1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

OR

F2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

F3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name: _____ Contract No _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

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

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: _____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name: _____ Contract No _____

Employee Name: _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

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

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____ DATE: _____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name: _____ Contract No _____

Non-Employee Name: _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

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

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____ DATE: _____

PRINTED NAME: _____

POSITION: _____

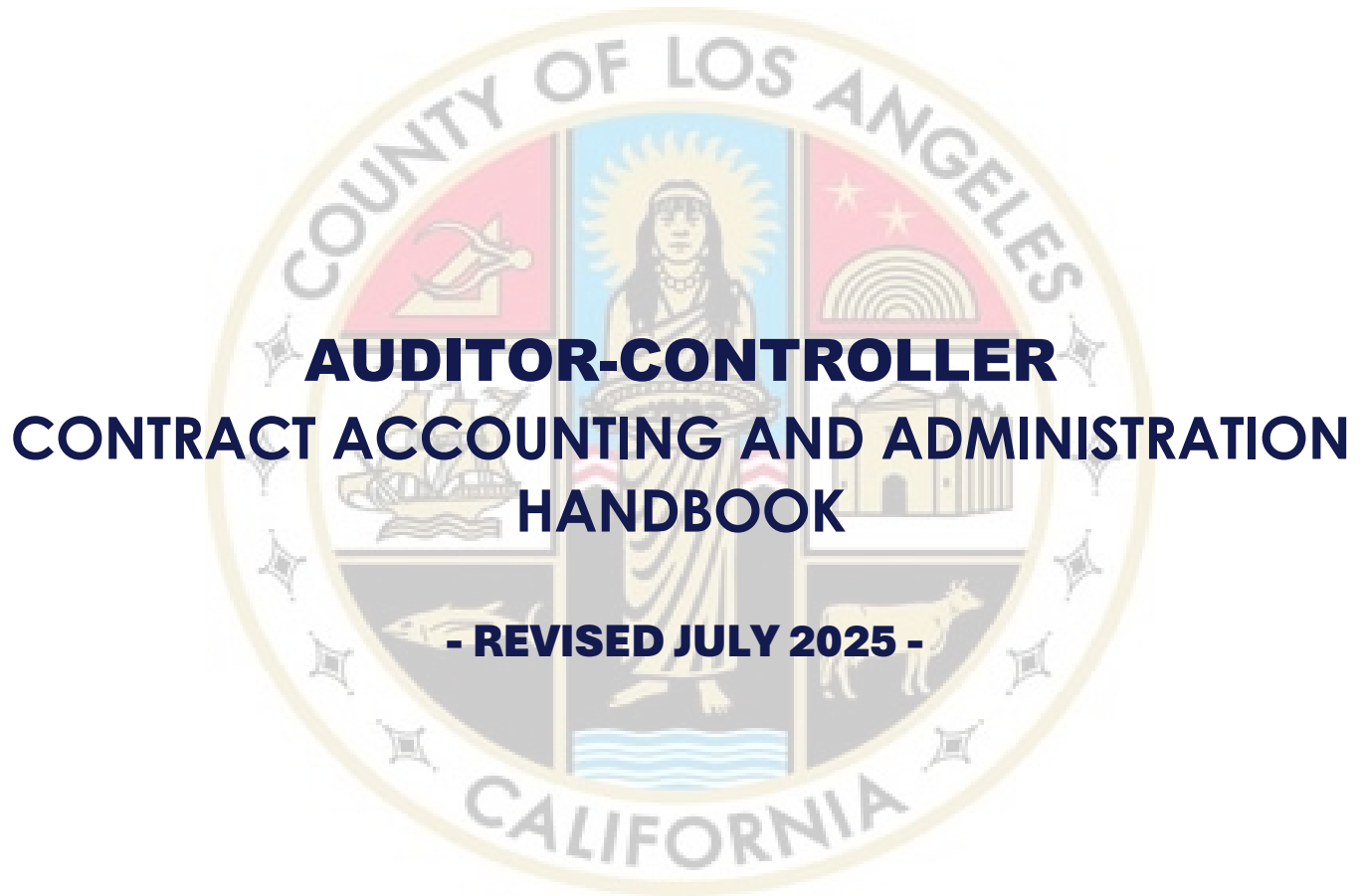


TABLE OF CONTENTS

A. ACCOUNTING AND FINANCIAL RECORDS	1
1.0 Basis of Accounting	1
1.1 Accrual Basis	1
1.2 Cash Basis.....	2
1.3 Prepaid Expenditures.....	2
2.0 Accounting System	2
2.1 General Journal	2
2.2 Cash Receipts Journal.....	3
2.3 Cash Disbursements Journal.....	3
2.4 General Ledger	4
2.5 Chart of Accounts	4
2.6 Payroll Register	4
3.0 Information and Supporting Documentation Requirements	5
3.1 Filing	9
3.2 Referencing	9
3.3 Security Over Documentation	9
3.4 Retention	10
3.5 Protection of Electronically Stored Information	10
4.0 Donations and Other Sources of Revenue	10
5.0 Audits.....	11
6.0 Single Audit Requirements	11
7.0 Unique Entity Identifier and System for Award Management Requirements	11
B. INTERNAL CONTROLS	12
1.0 Internal Controls Overview	12
2.0 Cash and Revenues	12
2.1 Separate Fund or Cost Center.....	12
2.2 Manual Deposits	12
2.3 Separation of Duties Over Deposits and Cash	13
2.4 Bank Reconciliations.....	13
2.5 Bonding.....	13
3.0 Disbursements	13
3.1 Approvals and Separation of Duties Over Disbursements	14

TABLE OF CONTENTS

3.2	Credit Cards.....	14
3.3	Petty Cash	15
3.4	Other Liquid Assets.....	16
4.0	Payroll and Personnel Records	17
4.1	Timecards	18
4.2	Benefit Balances	18
4.3	Incentive Compensation	18
4.4	Limitations on Positions and Salaries	19
4.5	Retroactive Payroll Adjustments and Payments	19
4.6	Separation of Duties Over Payroll and Personnel.....	19
4.7	Security Over Payroll and Personnel Records.....	20
5.0	Procurement.....	20
5.1	Methods of Procurement.....	20
6.0	Capital and Non-Capital Assets.....	21
6.1	Capital Assets	22
6.2	Acquisition	22
6.3	Non-Capital Asset Equipment.....	22
6.4	Asset Identification and Inventory	23
6.5	Security Over Assets	23
6.6	Asset Management.....	23
7.0	Information Technology	24
7.1	Information Technology Controls	24
7.2	Information Technology Security Management.....	25
7.3	Separation of Duties Over Systems	26
8.0	Electronic Signatures	26
9.0	Subcontracts	27
9.1	Subcontractor Monitoring.....	27
C.	COST PRINCIPLES.....	27
1.0	Purpose of Program Funds.....	27
1.1	Limitations and Requirements for Program Expenditures.....	28
1.2	Limitations on Payments to Affiliated Organizations or Persons (i.e., Related Party/Less-Than-Arm's-Length Transactions)	28

TABLE OF CONTENTS

1.3	Unallowable Expenditures	29
1.4	Depreciation.....	29
1.5	Rental Costs of Buildings and Equipment.....	30
1.6	Budget Limitation	30
1.7	Expenditures Incurred Outside the Agreement Period.....	30
1.8	Unallowable Activities	30
1.9	Unspent Program Funds.....	30
2.0	Allocable Expenditures	31
2.1	Direct Costs	31
2.2	Indirect Costs.....	32
2.3	Acceptable Indirect Cost Allocation Methods.....	32
2.4	Indirect Cost Limitations.....	34
2.5	Cost Allocation Plan.....	34
3.0	Overpayments	34
D.	GOVERNANCE	35
1.0	Governance Overview	35
1.1	Board of Directors' Requirements.....	35
1.2	Board of Directors' Fiduciary Responsibilities.....	36
1.3	Oversight Mechanisms	36
1.4	Board Meetings.....	37
1.5	Audit Committee	38
E.	REPORTING FRAUD/MISCONDUCT	39
F.	RESOURCES	39
G.	HANDBOOK ADMINISTRATION AND INQUIRIES	40
<u>EXHIBITS</u>		
Bank Reconciliation Example		Exhibit A
Petty Cash Log Example		Exhibit B
Liquid Assets Log Example		Exhibit C
Indirect Cost Allocation Methods Examples		Exhibit D



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

The purpose of the Auditor-Controller Contract Accounting and Administration Handbook (Handbook) is to provide organizations (CONTRACTORS) that contract with the County of Los Angeles (COUNTY) with guidance on key accounting, financial reporting, internal control, and contract administration standards, along with best practices and recommended approaches that will help to promote accountability, protect the integrity of assets and financial information, and minimize the risk of fraud.

The accounting, financial reporting, and internal control standards presented in this Handbook are fundamental and derived from applicable federal, State, and COUNTY regulations and guidelines (see [Section F](#)). These standards are not intended to be all inclusive or replace acceptable existing procedures, preclude the use of more sophisticated methods, or supersede any laws or requirements imposed by the applicable funding source(s) (i.e., federal, State, and COUNTY agencies) that may be more restrictive and/or stringent. Instead, this Handbook includes the minimum federal, State, and COUNTY required procedures and controls that must be incorporated into a CONTRACTOR'S accounting and financial reporting system to ensure compliance, as well as guidance on other recommended procedures and controls. The internal control standards described apply to organizations with adequate staffing. Organizations with insufficient staff to implement the internal controls as described herein must adopt alternative controls (e.g., use of appropriate alternative staff and/or board members) to comply with the intent of the standards to ensure effective internal control systems are in place within the organization. The CONTRACTOR'S subcontractors must also follow these standards unless otherwise stated in the COUNTY Agreement.

For additional resources, please see [Section F](#), and for any inquiries, please see [Section G](#).

A. ACCOUNTING AND FINANCIAL RECORDS

1.0 Basis of Accounting

Unless otherwise specified by the applicable funding source(s), CONTRACTORS may elect to use either the accrual or cash basis of accounting during the year for recording financial transactions. CONTRACTOR must ensure their basis of accounting is adequately documented in their accounting policies. Monthly invoices must be prepared on the same basis used for recording financial transactions.

The COUNTY generally recommends the use of the accrual basis for recording financial transactions when appropriate.

1.1 Accrual Basis

Under the accrual basis for recording financial transactions, revenues are recorded in the accounting period earned (rather than when cash is received). Expenditures



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

are recorded in the accounting period incurred (rather than when cash is disbursed).

Recorded accruals (e.g., to estimate expenditures) should be reversed in the subsequent accounting period or when deemed appropriate and/or necessary to ensure revenues and expenditures are not double counted, and are in compliance with Generally Accepted Accounting Principles (GAAP).

1.2 Cash Basis

If a CONTRACTOR elects to use the cash basis for recording financial transactions during the year:

- Necessary adjustments must be made to record the accruals at the beginning and the end of each year of the COUNTY Agreement, and at the end of the COUNTY Agreement.
- All computations, supporting records, and explanatory notes used in converting from the cash basis to the accrual basis must be retained.

1.3 Prepaid Expenditures

Prepaid expenditures (e.g., insurance, service agreements, lease agreements) must be expensed during the appropriate COUNTY Agreement year to the extent goods and services are received, or are applicable to that COUNTY Agreement year.

2.0 Accounting System

Each CONTRACTOR must maintain a ***double entry accounting system*** (utilizing debits and credits) and adequate, accurate, and reliable financial records in accordance with GAAP. The financial records must provide a comprehensive audit trail, and typically include, but may not be limited to a General Journal, a Cash Receipts Journal, a General Ledger, a Cash Disbursements Journal, and a Payroll Register or equivalent records as described in this Handbook. Postings to the General Ledger and Journals must be made timely, at least on a monthly basis. The CONTRACTOR must maintain separate cost centers, which clearly identify funds received and expended on services provided under the COUNTY Agreement.

2.1 General Journal

A General Journal (or equivalent records) must be maintained to ensure transactions are recorded accurately and timely in the order they occur, and for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal (or their equivalent records). Entries in the General



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Journal (or equivalent record) must be adequately documented and entered in chronological order with sufficient explanatory notations to support the transaction.

Example:

	<u>Debit</u>	<u>Credit</u>
Rent Expenditure	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

2.2 Cash Receipts Journal

A Cash Receipts Journal (or equivalent records) must be maintained for recording and identifying all cash inflows and sources of income (e.g., COUNTY warrants, contributions, interest income), and should, at a minimum, contain the following information:

- Date
- Invoice, Reference and/or Receipt Number (if applicable)
- Amount of Cash or Income Received
- Names of Accounts Debited (e.g., Cash) and Credited (e.g., Income) for the following:
 - COUNTY payments
 - Contributions/Donations
 - Other Income (e.g., grants, sales of supplies/services, rental income, miscellaneous revenue, fees)
- Description to clearly specify the source of cash receipts

2.3 Cash Disbursements Journal

A Cash Disbursements Journal (or equivalent records) must be maintained for recording all cash outflows or disbursements (e.g., rent, utilities, maintenance) to manage and track outgoing funds, and should, at a minimum, contain the following information:

- Date
- Invoice, Reference, and/or Check Number (if applicable)
- Amount of Cash Disbursed
- Names of Accounts Debited or Credited
- Payment Method (e.g., cash, check, electronic transfer)
- Description to clearly specify the nature of the cost and the corresponding cost classification, if not included in the column heading.

Checks should not be written to employees (other than payroll, reimbursements for small incidental out-of-pocket costs, mileage reimbursements, travel reimbursements, and petty cash fund custodian checks).



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

A **Check Register** may be substituted for the Cash Disbursements Journal (or equivalent records), but this is not recommended. If used, the Check Register (or equivalent records) must contain the same cost classifications and description information required when a Cash Disbursements Journal (or equivalent records) is used.

2.4 General Ledger

A General Ledger (or equivalent records) must be maintained with accounts for all assets, liabilities, fund balances/net assets, revenues, and expenditures to ensure the accuracy, consistency, and transparency of all financial transactions in accordance with GAAP. Separate accounts or cost centers must be maintained for the revenues (e.g., donations, grants, rental income, miscellaneous revenue) and expenditures of each of the CONTRACTOR'S programs and activities (both COUNTY and non-COUNTY).

2.5 Chart of Accounts

A Chart of Accounts (or equivalent records) must be maintained to organize and classify financial transactions accurately and consistently in accordance with GAAP:

- The COUNTY recommends that CONTRACTORS use the same expenditure account titles on the monthly invoice submitted to the COUNTY.
- If the CONTRACTOR uses account titles which differ from the account titles on the monthly invoice, each account title should clearly identify the nature of the transaction(s) posted to the account.
- CONTRACTOR must consistently post transactions that are of a similar nature to the same account. For example, all expenditures for travel can be posted to an account titled "travel," but must not be intermixed with other expenditure accounts.

2.6 Payroll Register

A Payroll Register (or equivalent records) must be maintained to manage payroll activities, detail the necessary payroll information, and ensure payroll transactions and payments are accurate. The Payroll Register (or equivalent records) should contain the following information for each employee:

- Name
- Position
- Unique code identifying each employee (e.g., employee number/ID)
- Salary or hourly wage
- Payment Record including:



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

- Accrual Period
- Gross Pay
- Itemized Payroll Deductions
- Net Pay Amount
- Check/Payment Number

CONTRACTOR must ensure compliance with:

- All applicable federal and State requirements for withholding payroll taxes (e.g., FIT, FICA, FUTA, SIT, SIU), reporting, filing (e.g., 941, DE-7, W-2, W-4, 1099), and all applicable tax deposits.
- Internal Revenue Service and State guidelines to properly classify employees and independent contractors.

3.0 Information and Supporting Documentation Requirements

CONTRACTOR must retain the original source document for inspection by COUNTY. All revenues and expenditures charged to the COUNTY must be supported by original vouchers, invoices, receipts, or other documentation to clearly establish the nature and the reasonableness of the expenditure and its relevance to the COUNTY program, and evidence of actual payment (e.g., canceled checks, proof of electronic funds transfer). Internally generated documents (e.g., vouchers, request for check forms, requisitions), and bank and credit card account statements alone do not constitute supporting documentation for revenues and expenditures.

If the CONTRACTOR is unclear as to the appropriate documentation that must be maintained to support an expenditure, CONTRACTOR should consult with the COUNTY **before** the expenditure is charged to the COUNTY. Unsupported or inadequately supported expenditures will be disallowed upon audit. CONTRACTOR will be required to repay COUNTY for all disallowed costs.

Electronic documentation is permitted when the source documentation originated electronically (e.g., electronic bills and bank statements). To the extent the source for electronic documentation is an original hardcopy document (e.g., PDF scans of original vendor invoices), COUNTY at its sole discretion may accept photocopies (including scanned images) of supporting documentation in preference to the original documents subject to any limitations imposed by the applicable funding source(s) (i.e., federal, State, and COUNTY agencies), and if the CONTRACTOR maintains adequate internal controls over their information technology systems and data (e.g., electronically stored information, records, or documentation) as required by the standards described in this Handbook (e.g., see [Sections A.3.5](#) and [B.7.0](#) through [B.7.3](#)) and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement). Failure to provide original hardcopy documents and/or maintain an adequate system of



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

internal controls over electronic documentation to support expenditures charged to the COUNTY will result in inadequately supported expenditures and will be disallowed upon audit.

For the following categories of expenditures, adequate supporting documentation may include, but not be limited to:

Payroll

- Timecards and attendance records signed and dated by the employee and the employee's supervisor (in ink or electronically) certifying the accuracy and approval of the reported time.
- Time distribution records by program, accounting for total work time on a daily basis for each employee.
- Records showing actual expenditures for payroll, Social Security and unemployment insurance.
- State and federal quarterly tax returns, federal W-2 forms, federal W-4 forms, and any other records to support payroll tax payments.

Personnel Files

- Documentation supporting approved employee pay rates.
- Proof of employees having the required education, practical experience, and license(s)/certification(s) for their position.
- Criminal record clearances as required.

Contracted/Consultant Services

- Contracts detailing the nature and scope of services to be provided, and the method and rate of compensation (e.g., cost reimbursement, fixed fee, fee for service, rate per hour) for each service.
- Itemized invoices or other documentation detailing specific service(s) provided and rate(s) of compensation applied to support total amounts charged.
- Time and attendance records or other documentation detailing when services were provided.
- Travel vouchers detailing purpose, time, and location of travel reimbursed by CONTRACTOR.
- Purchase orders, itemized invoices, and proof of receipt of good/services for amount reimbursed by CONTRACTOR.
- Copies of all completed federal Form 1099s, establishing that all payments to contractors/consultants were reported timely to federal and State taxing agencies.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Payments to Affiliated Organizations or Persons (i.e., Related Party/Less-Than-Arm's-Length Transactions)

- Financial records (e.g., general ledgers, payroll registers, labor distributions, invoices/receipts) of the affiliated or related organizations/persons
- Price and rate quotations for the same services/goods from an adequate number of independent and qualified sources
- Cost and price analysis
- Vendor selection analysis
- Other documentation to support payments to affiliated organizations or persons did not exceed the lesser of actual costs of the affiliated or related organizations/persons or the reasonable costs for services rendered or items purchased (see [Section C.1.2](#) for additional guidance)

Loans (including, but not limited to, loans to the CONTRACTOR from employees and/or related parties)

- Written loan agreement approved by the CONTRACTOR'S board of directors.
- Documentation showing that loaned funds were deposited into a CONTRACTOR bank account.
- Documentation showing that loan proceeds were actually used for COUNTY programs.

To the extent that the loan agreement provides for the payment of interest, the interest may not be an allowable expenditure under the Agreement. If the payment of interest is allowable, interest must not be accrued at a rate which exceeds the COUNTY Treasury Rate plus one percent.

Travel

- Travel policies (written) of the CONTRACTOR
- Travel expenditure vouchers
- For travel related to conferences, meetings, seminars, symposiums, workshops, and other similar events, CONTRACTOR must at a minimum, retain literature, such as agendas and handouts, or other documentation detailing the purpose of the event, as part of the CONTRACTOR'S documentation of the propriety of the travel expenditure
- Itemized receipts for all travel expenditures (e.g., lodging for approved out-of-town travel, airfare, car rentals, meals, ground transportation, parking).

Note: Reimbursement for actual receipts or per diem rates for lodging and meal expenditures must not exceed the COUNTY'S maximum reimbursement rate for employees. CONTRACTOR should obtain the COUNTY'S maximum reimbursement rate for each fiscal year from the COUNTY before travel expenditures are charged.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Vehicle Expenditures

- Invoices/receipts for repairs, maintenance, fuel, etc.
- Vehicle registration card
- Vehicle title
- Insurance policy
- Purchase or financing agreement
- Vehicle lease or rental agreement
- For vehicles owned/leased by the CONTRACTOR and personal vehicles that are primarily used for business purposes, a vehicle mileage log (or equivalent record) must be maintained establishing the extent to which the vehicles are used for business versus non-business purposes. The mileage log (or equivalent record) must identify:
 - Trip dates
 - Origin and destination addresses of the trip
 - Purpose of the trip and how it relates to the Agreement services
 - Beginning and ending odometer readings and the resulting mileage for all trips (including non-business trips) to account for 100% use of the vehicle
- For personal vehicles that are not primarily used for business purposes, documentation to support reimbursements to employees for mileage and parking must include:
 - Date and time of travel
 - Origin and destination addresses of the trip and the resulting mileage
 - Purpose of the trip and how it relates to the Agreement services
 - Rates claimed (**Note:** Reimbursement rates for mileage must not exceed applicable federal guidelines.)
 - Itemized receipts for reimbursed parking and toll charges

All supporting documentation must include sufficient information to identify the vehicle the expenditures are related to, which should include, but not be limited to, vehicle make and model, vehicle license number, and vehicle identification number.

CONTRACTOR must only charge the COUNTY for vehicle expenditures (e.g., gasoline, repairs/maintenance, insurance, depreciation) to provide COUNTY Agreement services. CONTRACTOR must pro-rate vehicle expenditures based on vehicle usage to exclude the portion of expenditures related to non-COUNTY and non-business use (i.e., non-COUNTY program services, personal use, employee transportation to and from work).

Operating Expenditures (e.g., utilities, office supplies, equipment rentals)

- Bona fide contracts or lease agreements, if applicable
- Invoices and receipts detailing the cost and items purchased
- Documentation acknowledging the receipt of purchased goods and services (e.g., itemized delivery confirmations, stock received reports, packing slips, or



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

other documentation) signed by the employee(s) who verified the good/services were approved and received

Outside Meals

- Itemized receipts and/or invoices for all meals
- Documentation detailing the nature and business purpose of each meal
- Documentation identifying the participants of each meal

3.1 Filing

All relevant supporting documentation for reported revenues and program expenditures must be filed in a systematic and consistent manner. It is recommended that supporting documents be filed as follows:

- Checks/Payments – Numerically
- Invoices – Vendor name and date
- Vouchers – Numerically
- Receipts – Chronologically
- Timecards – Pay period and alphabetically

3.2 Referencing

Accounting transactions posted to the CONTRACTOR'S books must be appropriately cross-referenced to supporting documentation. When applicable, it is recommended that expenditure transactions on the CONTRACTOR'S books be cross-referenced to the supporting documentation as follows:

- Invoices – Vendor name and date
- Checks – Number
- Vouchers – Number

Supporting documentation for non-payroll expenditures (i.e., operating expenditures) should be cross-referenced to the evidence of actual payment (e.g., corresponding check issued for payment, bank statement). If multiple invoices are paid with one check or transaction, all related invoices should be cross-referenced to the evidence of actual payment.

3.3 Security Over Documentation

Adequate care must be exercised to safeguard the financial records, including accounting records and supporting documentation. Any destruction or theft of the CONTRACTOR'S financial records must be immediately reported to the COUNTY. CONTRACTOR must report, to the local law enforcement agency having jurisdiction, any act(s), which may reasonably constitute a crime and appear to have resulted in the destruction, damage, or alteration of any record subject to the



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

provisions of this Handbook. CONTRACTOR must make their report to the local law enforcement agency within twenty-four hours of becoming aware of the acts which resulted in the destruction, damage, or alteration of the record.

A copy of the resulting crime/incident report must be retained by the CONTRACTOR for the same period of time the underlying records that were destroyed/damaged were required to be retained (see [Section A.3.4](#)), and must be retained for a longer period in the case of unresolved litigation or audit.

3.4 Retention

All financial records, including accounting records (e.g., journals, ledgers) and supporting documentation, must be retained for a minimum of three years after the termination of the CONTRACTOR'S Agreement or the date of submission of the final invoice, billing, or expenditure report, unless a longer retention period is prescribed by the Agreement or applicable laws and regulations, in which case the CONTRACTOR must comply with the longer retention period and all other retention requirements set forth in the Agreement or the applicable laws and regulations.

3.5 Protection of Electronically Stored Information

CONTRACTOR must employ sufficient security measures to safeguard all COUNTY non-public information (e.g., confidential information including, but not limited to, the names and addresses of individuals, Social Security numbers, credit card information) that is electronically stored and used. CONTRACTOR is also responsible for the security of any COUNTY non-public information that is transmitted, exchanged, or shared with other authorized individuals and/or organizations including, but not limited to, third-party vendors/providers, subcontractors, contractors/consultants, or other external parties.

Information security and privacy safeguards (e.g., policies, access restrictions, employee background checks, training programs, cyber liability insurance, encryption) and standards must be developed, implemented, and maintained in accordance with applicable standards described in this Handbook (e.g., see [Sections B.7.0](#) through [B.7.3](#)), the [COUNTY Board of Supervisors \(Board\) Policy 5.200](#), and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement, applicable sections of the [Board Policy Manual](#)).

4.0 Donations and Other Sources of Revenue

For CONTRACTORS that use donations and/or other sources of revenue (e.g., grants, sales of supplies/services, rental income, miscellaneous revenue, fees) to pay for expenditures related to a COUNTY service, the CONTRACTOR must maintain accounting and other financial records that clearly identify the specific expenditures that were paid for with the other source(s) of revenue. Restricted donations and other sources of revenue, earmarked specifically for the



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

COUNTY program, must be utilized on allowable COUNTY Agreement expenditures. Similarly, income from investments (e.g., interest, dividends), where the source of the amount invested is COUNTY program funds, must be deemed restricted revenue that must be utilized on allowable COUNTY program expenditures, or returned to the COUNTY as specified under the COUNTY Agreement.

5.0 Audits

For routine audits and inspections, CONTRACTOR will make available to COUNTY representatives, upon request, during working hours, during the duration of the COUNTY Agreement and for a period of three years thereafter (unless a longer period is specified under the Agreement, or by applicable laws and regulations), all of its books and records, including, but not limited to, those which relate to its operation of each project or business activity, which is funded in whole or part with governmental monies, whether or not such monies are received through the COUNTY. All such books and records must be made available upon request at a location within or near Los Angeles County.

In general, audits will normally be performed during normal business hours, Monday through Friday. However, COUNTY retains the right to inspect and conduct investigations of CONTRACTOR'S program/fiscal operations and compliance with the COUNTY Agreement at any time, without prior notice to CONTRACTOR seven days a week, when the COUNTY has information which it, in its sole discretion, justifies such an unannounced visit, inspection, audit or investigation.

6.0 Single Audit Requirements

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) "[Audit Requirements](#)" requires organizations that expend the applicable threshold (e.g., \$750,000 (prior to October 1, 2024), \$1,000,000) or more in federal awards during their fiscal year (including pass-through awards) to have a single audit conducted in accordance with Generally Accepted Government Auditing Standards for that year. Additional details regarding single audit requirements are included in [Uniform Guidance](#).

A copy of any single audit report must be filed with the COUNTY upon request or within the timeframes prescribed by the COUNTY Agreement, or any extended timeframes granted by the federal Office of Management and Budget (OMB).

7.0 Unique Entity Identifier and System for Award Management Requirements

Title 2 United States Code of Federal Regulations "[Unique Entity Identifier and System for Award Management](#)" requires organizations receiving federal funds to have a "Unique Entity Identifier (UEI)" and register with the System for Award Management (SAM.gov), unless exempted by federal statute. CONTRACTOR



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

must maintain documentation to demonstrate they have a current and active UEI and registration in SAM.gov, if applicable. Additional details regarding UEI requirements are included in the [Electronic Code of Federal Regulations \(eCFR\)](#) and [SAM.gov](#).

B. INTERNAL CONTROLS

1.0 Internal Controls Overview

Internal controls are processes designed to provide reasonable assurance regarding the achievement of the CONTRACTOR'S objectives relating to operations, reporting, and compliance, and should safeguard the CONTRACTOR'S assets from misappropriations and misuse. Each CONTRACTOR must prepare necessary written procedures establishing internal controls for its personnel's use. The CONTRACTOR must instruct all personnel in these procedures and continuously monitor operations to ensure compliance with their own policies and procedures, and any other applicable funding source requirements (e.g., [Uniform Guidance](#)).

2.0 Cash and Revenues

Cash or cash equivalents (e.g., checks, money orders, other liquid assets such as prepaid/EBT/gift cards) and revenue must be adequately monitored to ensure they are properly accounted for, safeguarded, and accurately reported.

2.1 Separate Fund or Cost Center

All COUNTY Agreement revenues must be maintained in a bank account. If revenues from other sources are maintained in the same bank account, revenues for each source must be clearly identifiable in the accounting records through the use of cost centers or separate accounts.

2.2 Manual Deposits

When cash or cash equivalents are received by mail, two employees should be assigned to open the mail and list all collections received on a receipts/check remittance log.

All COUNTY checks should be restrictively endorsed upon receipt.

Cash and cash equivalents received should be recorded on pre-numbered receipts and the receipts/check remittance log should be reconciled to the amount being deposited.

Voided receipts must be retained and the sequence of receipts issued/voided must be periodically accounted for.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Cash and cash equivalents totaling \$500 or more must be deposited within one day of receipt, or as soon as reasonably possible. Collections of less than \$500 may be held and must be secured and deposited weekly or when the total reaches \$500, whichever occurs first. If CONTRACTOR can establish that a larger limit is warranted, CONTRACTOR may request authorization from COUNTY to increase the limit to an amount greater than \$500.

Deposit slips should be retained in an organized manner, and must contain sufficient reference information for comparison to the Cash Receipts Journal (or equivalent records) and individual receipts, if applicable. A recommended best practice is to retain a photocopy of the deposit slip and the COUNTY warrants reflected on each deposit slip, or record the individual warrant numbers on the deposit slip.

2.3 Separation of Duties Over Deposits and Cash

Employees' duties must be separated to ensure that one individual does not control all key aspects (e.g., receiving, receipting, depositing, disbursing, reconciling, recording) of a transaction. For example, an employee who does not handle cash or cash equivalents should record all receipts in the CONTRACTOR'S accounting records.

2.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling or check writing/preparation responsibilities. The person reconciling the bank account(s) should receive the bank statement(s) directly from the bank.

Monthly bank reconciliations should be prepared and reviewed by management for appropriateness and accuracy within 30 days of the bank statement date. The bank reconciliations should be signed and dated by both the preparer and the reviewer. See [Exhibit A](#) for a suggested bank reconciliation format.

Reconciling items should be reviewed, researched, and resolved immediately. If an item cannot be resolved within the next bank statement period, the CONTRACTOR should monitor the reconciling item to ensure the reconciling item is resolved timely.

2.5 Bonding

All officers, employees, and contractors who handle cash or have access to the CONTRACTOR'S funds (e.g., prepare checks) must be bonded.

3.0 Disbursements

All disbursements (other than those made for petty cash purchases), must be made using a CONTRACTOR check, electronic funds transfer, or debit/credit card.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Blank check stock must be secured and accounted for to preclude unauthorized use.

Checks must NOT be payable to "cash" or signed in advance. Similarly, electronic debits to "cash" or withdrawals of cash must not be made. Checks written to employees for reimbursement of out-of-pocket costs must be supported by receipts and invoices.

Voided checks must be marked void. If paper checks are used, the signature block must be cut out. Voided checks must be maintained with the canceled checks.

Returned or undelivered checks must be canceled regularly, but no less frequent than monthly.

Unclaimed checks must be canceled periodically, but no less frequent than every six months.

All supporting documentation should reference the payment made for the expenditure (e.g., check number, transaction number for an electronic funds transfer, credit card payment) and marked "paid" or otherwise canceled to prevent duplicate payments or reuse.

Disbursements without adequate supporting documentation and/or without adequate controls over electronic documentation (See [Section A.3.0](#) regarding the use of electronic documentation) will be disallowed upon audit.

A second signature is also recommended on all checks over \$500, unless otherwise specified in the COUNTY Agreement.

3.1 Approvals and Separation of Duties Over Disbursements

Employees responsible for approving cash disbursements and/or signing checks should examine all supporting documentation at the time the checks are approved and signed.

All disbursements, excluding petty cash purchases, should be approved by persons independent of check preparation and bookkeeping activities.

In instances where the payee is also a signor on the check, the disbursement must be reviewed and approved by a higher-level employee or board member who must also sign the check. If the bookkeeper signs checks, a second signature must be required on the checks, regardless of limits specified in the COUNTY Agreement.

3.2 Credit Cards

Credit cards issued in the CONTRACTOR'S name must be adequately safeguarded and usage monitored to ensure that only authorized and necessary



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

items are purchased.

Credit card purchases should be pre-approved by CONTRACTOR management to ensure that they are reasonable and necessary.

The use of an employee's personal credit card on behalf of the CONTRACTOR for authorized and necessary items must be limited to purchases where established purchasing and disbursement practices are not suitable.

All credit card disbursements must be supported by original invoices, store receipts, or other external authenticating documents indicating each item purchased, the employee making the purchase, and the justification for the purchase. ***Credit card statements alone are not sufficient support for credit card purchases.*** See [Section A.3.0](#) regarding the use of electronic documentation.

Employee duties must be separated so that the same person cannot approve purchases, reconcile credit card statements, approve reconciliations, or approve payments. Cardholders should not perform any of these duties.

Monthly credit card statements should be reconciled to the source documentation for the expenditure and reviewed by management in a timely manner for appropriateness and accuracy. Any discrepancies must be reviewed, researched, and resolved immediately. The credit card reconciliations should be signed and dated by the reconciler and reviewer.

3.3 Petty Cash

Petty cash must NOT be used as a substitute for normal purchasing and disbursement practices (i.e., payment by check).

A CONTRACTOR may establish a petty cash fund up to \$500 to pay for **small** incidental expenditures incurred (e.g., postage due, parking meters, small purchases of office supplies), and may establish multiple petty cash funds when appropriate (i.e., petty cash fund for each location where services are rendered). CONTRACTOR must obtain written approval from the COUNTY to establish a single petty cash fund greater than \$500. Applicable policies and procedures must be established to ensure accountability and restrict the usage of petty cash to the intended purpose of the fund.

Petty cash disbursements must be supported by original invoices, store receipts, or other external authenticating documents indicating each item purchased and the employee making the purchase. If external supporting documentation is not obtainable for minor disbursements (under \$10), such as parking meters, fees, etc., then some written documentation should be maintained and approved by a supervisory employee not associated with the transaction. See [Section A.3.0](#) regarding the use of electronic documentation.



The petty cash fund should be maintained on an imprest (fixed) basis. A check should be drawn to set up the fund and to periodically replenish the fund up to the imprest amount. Receipts, vouchers, etc., supporting each fund replenishment should be cross referenced to the reimbursement check.

A petty cash log (or equivalent record) must be maintained for each petty cash fund to track the usage and replenishment of petty cash. Petty cash logs should be reviewed monthly by a higher-level employee not having responsibilities over the respective petty cash fund to ensure petty cash funds are being used for their intended purposes. See [Exhibit B](#) for a suggested petty cash log format.

There should be a separate petty cash fund custodian assigned for each petty cash fund established. The petty cash fund custodian should:

- Not have any other cash handling responsibilities (e.g., sign checks).
- Be responsible for maintaining and disbursing the petty cash funds and requesting replenishment of the fund up to its imprest amount, when necessary.
- Reconcile the petty cash fund amount to the cash-on-hand, receipts/invoices for which replenishment has not yet been requested, and replenishment requests in process, but not yet received, each day the petty cash fund is used.

Petty cash must be secured at all times in a locked safe, file cabinet, or cash drawer. Access to the petty cash fund should be limited to the petty cash fund custodian and one other employee in case of absence or emergency.

Surprise cash counts of each petty cash fund should be conducted periodically, but no less than quarterly, to ensure the petty cash fund is being maintained as required. The cash counts should be conducted by a higher-level employee not having cash handling responsibilities over the specific fund being counted. Documentation should be maintained to support each cash count conducted and should be signed and dated by the employee conducting the cash count.

3.4 Other Liquid Assets

Liquid assets must NOT be used as a substitute for normal purchasing and disbursement practices (e.g., payment by check).

CONTRACTOR must centrally monitor any liquid assets that can easily be converted to personal use (e.g., bus tokens/passes, prepaid/EBT/gift cards, tickets, vouchers). Applicable policies and procedures must be established to ensure accountability and restrict the usage of liquid assets to their intended purposes.

The distribution and usage of liquid assets must be supported by a log and/or external authenticating documents. The documents must clearly identify each item distributed/used, amounts issued, the date of distribution/usage, and the name and signature of the recipient/user. If the liquid assets (e.g., gift cards, prepaid cards)



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

are used to pay for other expenditures, additional documentation must be maintained to support the expenditures as required by [Section A.3.0](#). See [Exhibit C](#) for a suggested liquid assets log format.

Logs and/or other external authenticating documents should be reviewed monthly by a higher-level employee not having responsibilities over the respective liquid asset to ensure liquid assets are being used for their intended purposes.

A custodian should be assigned to monitor liquid assets, and should:

- Not have any other cash handling responsibilities (e.g., sign checks).
- Be responsible for maintaining and distributing the liquid assets and requesting replenishment when necessary.
- Reconcile the log to the liquid assets-on-hand and the documentation supporting the distribution and usage of the liquid assets to-date, each day liquid assets are distributed and used.

Liquid assets must be safely secured at all times (e.g., in a locked safe, file cabinet, or drawer). Access to liquid assets should be limited to the custodian and one other employee in case of absence or emergency.

Surprise counts of each liquid asset should be conducted periodically, but no less than quarterly, to ensure liquid assets are being maintained as required. The counts should be conducted by a higher-level employee not having responsibilities over the liquid asset being counted. Documentation should be maintained to support each count conducted and should be signed and dated by the employee conducting the count.

4.0 Payroll and Personnel Records

Adequate payroll and personnel records must be maintained to support payroll transactions. Payroll and/or personnel records should include, but not be limited to, the following:

- Employee's authorized salary rate
- Employee information sheet (e.g., employee contact information, emergency contact information)
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., job description, notarized copy or original diploma, academic transcripts, license(s))
- Hiring and termination (if applicable) documents
- Employment history and performance evaluations
- Criminal record clearance (if required)
- Citizenship Status
- Benefit balances (e.g., paid time off, sick time, vacation)
- Health Clearances (if required)



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

In addition, personnel records should also include disclosures of any relationships with other CONTRACTOR employees or associates.

4.1 Timecards

Timecards or time reports must be prepared for each employee each pay period. If an employee works on multiple COUNTY/non-COUNTY programs and/or activities, the total hours charged to each of the programs and/or activities must be based on actual conditions (e.g., total hours worked each day by program and the total hours charged to each of the CONTRACTOR'S programs, time studies, full-time equivalents).

Time or budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for payroll expenditures and will be disallowed upon audit. Time or budget estimates may be used for interim accounting purposes, unless prohibited by the COUNTY Agreement or applicable funding source(s), provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed. Significant changes in work activity must be identified and adjusted in the financial records in a timely manner. The CONTRACTOR'S system of internal controls must include processes to review after-the-fact interim charges made using time or budget estimates, and be adequately documented. All necessary adjustments must be made such that the final amount charged to the COUNTY is accurate, allowable, appropriately allocated, and based on actual conditions.

All timecards and time reports must be signed and dated by the employee and the employee's supervisor (in ink or electronically) to certify the accuracy and approval of the reported time.

To the extent the CONTRACTOR utilizes electronic timecards and time reports, the CONTRACTOR'S electronic time reporting system must be designed to comply with the internal control standards described in this Handbook (e.g., see [Sections A.3.5](#) and [B.7.0](#) through [B.7.3](#)), and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement), and support the reporting of accurate and reliable financial information.

4.2 Benefit Balances

Employee benefit balances (e.g., paid time off, sick time, vacation) should be maintained on at least a monthly basis. Benefit balances must be increased when benefit hours are earned and decreased as hours are used.

4.3 Incentive Compensation

Incentive compensation paid to employees should be reasonable, based on a measurable performance metric (e.g., cost reduction, efficient performance, suggestion awards, safety awards), and in accordance with the CONTRACTOR'S



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

established policy or agreement with employees. The CONTRACTOR must maintain documentation to support any incentive compensation payments to employees.

Any bonuses, gifts, or other payments provided to employees that are solely intended to improve employee morale will be disallowed upon audit, unless expressly allowed by the COUNTY Agreement and/or the applicable funding source(s).

4.4 Limitations on Positions and Salaries

The CONTRACTOR should not pay any salaries higher than those authorized in the COUNTY Agreement or by the applicable funding source(s) (i.e., federal, State, and COUNTY agencies).

Payroll expenditures for employees working on more than one agreement, program, or activity must be equitably allocated in accordance with the applicable sections of [Uniform Guidance](#) and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement). If an employee serves in the same or dual capacities under more than one agreement or program, time charged to the agreements or programs taken as a whole may not exceed 100% of the employee's actual time worked.

Salaried employees should be paid a salary that corresponds with the employee's work schedule. For example, a half-time salaried employee performing the same or similar work should be paid proportionately less than a full-time salaried employee.

4.5 Retroactive Payroll Adjustments and Payments

The CONTRACTOR must not charge the COUNTY for any retroactive adjustments to an employee's authorized hourly/salary rate or benefits that result in additional compensation to an individual or group of employees without written approval from the COUNTY.

Retroactive payments to employees to correct underpayment errors may be charged to the COUNTY provided that adequate documentation is maintained to support an employee was underpaid in a prior pay period and the retroactive payment is necessary.

4.6 Separation of Duties Over Payroll and Personnel

Payroll checks should be distributed by persons not involved in timekeeping (e.g., preparing/recording, approving, processing, and reporting of payroll transactions), or reconciling bank accounts.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

All employee hires and terminations, or pay rate changes, must be approved in writing by authorized persons independent of payroll responsibilities.

4.7 Security Over Payroll and Personnel Records

Adequate security must be maintained over payroll and personnel records with access restricted to authorized individuals. Any automated payroll and personnel records which contain confidential information, such as, but not limited to, employee addresses and medical information, must be adequately safeguarded using the information security and privacy standards discussed in Section A.3.6 to prevent unauthorized access and use.

5.0 Procurement

Written policies and procedures must be established to ensure goods and services are procured in a manner providing full and open competition and in accordance with the requirements of [Uniform Guidance](#) and any other applicable funding source(s) (i.e., federal, State, and COUNTY agencies). The written policies and procedures must also cover conflicts of interest where the CONTRACTOR and/or its directors, officers, or key employees are unable (or appear to be unable) to be impartial in conducting a procurement action.

CONTRACTOR must maintain sufficient records to support the history of procurement. At a minimum, the records should detail the rationale for the procurement method, the selection of the contract type (e.g., cost reimbursement, fixed-price), reasoning/justification for contractor or vendor selection or rejection, and the basis for the contract price/rate.

The procurement of any goods and/or services with an aggregate value that exceeds the lesser of \$5,000 or the amount required by the CONTRACTOR'S policy must be approved by the CONTRACTOR'S board of directors.

Failure to procure goods and services as required and maintain adequate documentation to support expenditures charged to the COUNTY may result in inadequately supported expenditures and may be disallowed upon audit.

5.1 Methods of Procurement

[Uniform Guidance](#) describes the following methods for procuring goods and services:

- Informal Procurement
- Formal Procurement
- Noncompetitive Procurement



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Informal Procurement

When the aggregate value of the goods and/or services being procured is less than \$10,000, the CONTRACTOR must ensure the price is reasonable based on research, experience, purchase history, and/or other relevant information.

Where the aggregate value of the goods and/or services being procured is between \$10,000 and \$249,999, the CONTRACTOR must ensure the price is reasonable by obtaining price or rate quotations from an adequate number of qualified sources. CONTRACTOR should consider obtaining price or rate quotations from at least three qualified sources.

Formal Procurement

When the aggregate value of the goods and/or services being procured is \$250,000 or more, the CONTRACTOR must ensure the price is reasonable by formally and publicly advertising and soliciting sealed bids or competitive proposals from an adequate number of qualified sources.

Sealed bids are generally solicited for firm-fixed price contracts (lump sum or unit price). The contract should be awarded to a responsible bidder whose bid conforms with all material terms and conditions of the invitation for bids and is the lowest price.

Competitive proposals are generally solicited when conditions are not appropriate for the use of sealed bids and can be used for either cost reimbursement or fixed price type contracts. The contract should be awarded to the offeror whose proposal is most advantageous to the CONTRACTOR and should be based on price and other relevant factors.

Noncompetitive Procurement

Noncompetitive procurements should only be used when the aggregate value of the goods or services is less than \$10,000, the goods or services can only be obtained from a single source, there is an immediate need for the goods or services and delays from publicizing a competitive solicitation are not permitted, or a competitive solicitation was conducted and competition was determined to be inadequate.

The CONTRACTOR must obtain written approval from the COUNTY and/or the applicable funding source(s) prior to using a noncompetitive procurement that does not meet one of the conditions described above.

6.0 Capital and Non-Capital Assets

Controls over capital and non-capital assets are necessary to safeguard investments, establish responsibility for the custody of each asset, provide



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

necessary data for financial reporting, and provide required information and documentation for depreciation, insurance, audit, and other purposes.

6.1 Capital Assets

Capital assets are tangible or intangible assets of significant value having a useful life that extends beyond the current year and include land, buildings and improvements, equipment, and intellectual property (including software). All applicable assets with an acquisition cost of \$5,000 or more must be capitalized in accordance with GAAP.

Acquisition cost means the net invoice unit price of an item, including shipping costs and sales taxes, the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it was acquired. Acquisition costs for software include those development costs capitalized in accordance with GAAP.

Capital asset purchases must be approved by the CONTRACTOR'S board of directors or their authorized representative.

Capital assets should not be ordered or purchased and charged to the COUNTY during the last three months of the term of the Agreement, unless the acquisition is pre-approved by the COUNTY or the CONTRACTOR'S Agreement with the COUNTY is renewed or extended.

6.2 Acquisition

CONTRACTOR must submit a purchase versus lease analysis to COUNTY and obtain written authorization before making a capital asset purchase where the acquisition cost is \$25,000 or more, and all, or a portion of the cost of the capital asset will be charged to the COUNTY Agreement. If the cost of the capital asset will be charged to multiple COUNTY Agreements, the CONTRACTOR only needs to obtain written authorization from the COUNTY department(s) where the CONTRACTOR anticipates expenditures charged will exceed the lesser of 10% of the acquisition cost of the capital asset or \$5,000, unless more restrictive and/or stringent requirements over acquisitions are required by the COUNTY Agreement and/or the applicable funding source(s).

6.3 Non-Capital Asset Equipment

Non-capital asset equipment is defined as equipment containing COUNTY non-public information, or equipment with a unit cost of more than \$250 but less than \$5,000, a useful life over one year, and can generally be easily carried or moved; especially by hand (e.g., personal computers, scanners, other portable assets).



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

6.4 Asset Identification and Inventory

All capital assets and non-capital asset equipment (assets) purchased in full, or in part, with COUNTY Agreement funds are to be used for the benefit of the COUNTY Agreement and should be appropriately tagged.

CONTRACTOR must maintain an accurate, complete, and current listing of assets. The listing should include the item description, serial number, date of purchase, acquisition cost, source(s) of funding, location, and the specific employee(s) the asset is assigned to or controlled by, when applicable. Unassigned assets must also be identified on the listing.

An inventory of all assets must be conducted at least once every two years to ensure that all assets are accounted for, used, maintained in proper working order, and needed. Documentation must be maintained to support the inventory conducted, and any depreciation charges in accordance with [Uniform Guidance](#).

6.5 Security Over Assets

Physical security must be adequately maintained over all assets to prevent the misuse, theft, or destruction of COUNTY property and non-public information. To the extent necessary, physical security controls over assets should include the use of badges/identification cards, locks, security cables, and/or assorted barriers to prevent physical tampering, damage, theft, or unauthorized physical access.

6.6 Asset Management

The CONTRACTOR must assume responsibility and accountability for the maintenance of all assets purchased, leased, or rented with COUNTY Agreement funds, or any other assets containing COUNTY non-public information.

The CONTRACTOR must maintain documentation to support all cases of theft, loss, damage, or destruction of assets purchased with COUNTY Agreement funds or containing COUNTY non-public information. The documentation should, at a minimum, contain item identification, recorded value, facts relating to loss, and, where appropriate, a copy of the law enforcement report. In cases where the loss resulted from suspected criminal activity (e.g., theft, vandalism, arson), the incident must be reported to the local law enforcement agency with jurisdiction over the location of the suspected crime.

The supporting documentation, including a copy of any related crime/incident reports, must be retained by the CONTRACTOR for a period of time under which the underlying records were destroyed or damaged were required to be retained and must be retained for a longer period in the case of unresolved litigation or audit.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

The CONTRACTOR must promptly report in writing to the COUNTY, and provide copies of all relevant supporting documentation described above, all cases of theft, loss, damage, or destruction of:

- Any capital assets purchased with COUNTY Agreement funds.
- Any non-capital asset equipment purchased with COUNTY Agreement funds with an acquisition cost or aggregate costs of \$950 or more.
- Any capital or non-capital assets that electronically stored, used, and/or transmitted COUNTY non-public information.

CONTRACTOR must safely and securely dispose of or return to the COUNTY all capital and non-capital assets in accordance with the Agreement.

7.0 Information Technology

Information technology (IT) controls are necessary to protect the security, integrity, and availability of COUNTY non-public information, Protected Health Information (PHI), IT resources (e.g., systems and networks, accounting management software/applications, electronic time reporting systems), and data (e.g., electronically stored information, records, or documentation).

7.1 Information Technology Controls

It is the CONTRACTOR'S sole obligation to design and implement appropriate and reasonable IT controls to, at a minimum:

- Secure and protect its IT resources and data against internal/external threats and risks.
- Help ensure the accuracy and integrity of CONTRACTOR'S electronic records and data is not compromised.
- Ensure adequate safety mechanisms (e.g., unique log-on identifications, computer access codes, account codes, passwords, multi-factor authentication tokens, transaction approval/authorization controls) are in place to limit user (e.g., employees, subcontractors, contractors/consultants) access privileges to protect COUNTY non-public information, PHI, IT resources, and data related to the COUNTY Agreement from unauthorized or unlawful access, use, disclosure, alteration or destruction.
 - Users must only receive access to non-public information that is necessary to perform their assigned job duties, and must not be given an access authorization level that is higher than needed.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

- CONTRACTOR must review, and update, if necessary, user access rights/permissions at least annually, or when a user's job assignment and/or responsibilities change, to ensure access capabilities are consistent with the user's job duties. In addition, guest user access and inactive users, including terminated employees, contractors/consultants, and other unnecessary access should be reviewed and removed or disabled timely.
- Ensure adequate and ongoing IT and cyber security awareness training is provided to applicable CONTRACTOR employees.
- Capture sufficient audit trail information to identify the individual user(s) who performed key components (e.g., entry, approval) of critical or high risk (e.g., disbursement, payroll) transactions.
- Ensure all data/transactions entered into an information system are processed completely and accurately, duplicate transactions are prevented and/or detected timely, inputs and modifications to data are authorized, and all data is protected from improper or unauthorized deletion and alteration. For example, procedures for reviewing and approving source documents for reasonableness and proper authorization prior to entering information should be established, when applicable.
- Ensure any output (e.g., paper printouts, digital information, electronic records) containing non-public information or regulated data and transactions is adequately protected and clear individual accountability is maintained, when applicable.

7.2 Information Technology Security Management

CONTRACTOR must establish and implement IT policies and procedures that align with the applicable IT standards described in this Handbook, [COUNTY Board Policy 5.200](#), and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement, applicable sections of the [Board Policy Manual](#)). A good IT policy should address, at a minimum, such issues as:

- Security management
- Security awareness training
- Security and privacy violations/breaches, incident reporting, and response protocols
- Cyber security (e.g., encryption, malware/ransomware protection, vulnerability testing and monitoring)
- Separation of duties
- User access (including remote access) to system(s) data
- Authorization of transactions
- Exception/error resolution
- Back-up recovery and restart protocols (e.g., disaster recovery and business



contingency planning)

- Change controls (e.g., for maintenance, enhancements, or modifications to application systems, networks, and software), if applicable

CONTRACTOR must also ensure their IT policies are periodically reviewed and updated/modified when changes are necessary (e.g., to implement new systems or changes in procedures, adopt new security protocols, address new risks or circumstances).

To the extent CONTRACTOR exchanges or shares information with other authorized external parties (e.g., third-party vendors/providers, subcontractors, contractors/consultants), CONTRACTOR must also establish policies and procedures to ensure the security, reliability, and integrity of such information.

Any applicable security incidents (e.g., loss of COUNTY non-public information, breach of confidentiality, non-permitted use or disclosure of PHI) must be reported in accordance with the standards described in this Handbook, and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement).

7.3 Separation of Duties Over Systems

CONTRACTOR must ensure sufficient checks and balances exist, and adequate separation of duties are maintained over IT systems to help minimize the risk of fraudulent activity and user error, and ensure transactions (e.g., accounting, payroll, time reporting, disbursements) are properly initiated approved, processed, reported, and reconciled.

Work should be divided among two or more employees so that one employee does not have control over multiple key aspects of an IT system, and the functions performed by one employee may be checked by functions performed by other employees. For example, employees who have access to add or change vendor information (e.g., vendor and contact names, addresses, phone numbers) must not have access to process invoices.

8.0 Electronic Signatures

Electronic signatures (e-Signatures) may be used to represent an individual's acknowledgment, acceptance, or approval of an agreement, transaction, report, record, or form, unless otherwise prohibited by the COUNTY Agreement and/or applicable funding source(s). Various types of e-Signatures exist. The most secure forms of e-Signatures will provide a digital audit trail that confirms when a document was signed, provides assurance that the individual claiming to be the signor is the signor through effective authentication methods (e.g., unique log-on identifications, account codes, passwords), and can safeguard documents from being altered after they have been signed. When determining which type of e-Signature to use, CONTRACTOR should consider the associated risks and level of assurance needed for the signature or document, and any other applicable



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

federal, State, and COUNTY requirements (e.g., COUNTY Agreement).

9.0 Subcontracts

CONTRACTOR must not subcontract services without the prior written consent of the COUNTY. Payments for subcontracted services without the prior written consent of the COUNTY may be disallowed upon audit.

CONTRACTOR must provide the COUNTY with copies of all executed subcontracts and must be responsible for the performance of their subcontractors. CONTRACTOR may submit an electronic copy of executed subcontracts in preference to a hardcopy, unless original signed subcontracts are required by the COUNTY Agreement or the applicable funding source(s).

9.1 Subcontractor Monitoring

CONTRACTOR must monitor the activities of their subcontractors as necessary, but no less than annually, to ensure governmental monies are used for their intended purposes, compliance with applicable federal, State, and COUNTY requirements, and performance goals are achieved. For example, the monitoring must include, but not be limited to:

- Performing reviews of the subcontractor's fiscal and program operations (e.g., verifying expenditures charged to the subaward are adequately supported, allowable, and appropriately allocated; verifying internal controls are maintained as required; and verifying subcontracted services are meeting required performance standards).
- Performing reviews of required financial and performance reports.
- Verifying all subcontractors are audited as required.
- Following-up and ensuring appropriate corrective action is taken on all deficiencies pertaining to the subcontract.

C. COST PRINCIPLES

1.0 Purpose of Program Funds

It is the intent of the COUNTY to provide funds for the purpose of the CONTRACTOR to provide the services required by the Agreement. CONTRACTOR must use these funds on actual expenditures in an economical and efficient manner, and ensure they are reasonable, proper, and necessary costs of providing services and allowable in accordance with the applicable sections of [Uniform Guidance](#), and any other applicable funding source(s) (i.e., federal, State, and COUNTY agencies) requirements.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

1.1 Limitations and Requirements for Program Expenditures

CONTRACTOR must comply with all limitations and requirements for COUNTY Program expenditures in the Agreement, the applicable sections of [Uniform Guidance](#), and/or any other applicable funding source(s) (i.e., federal, State, and COUNTY agencies). If a CONTRACTOR is unsure of the allowability of any particular type of expenditure, the CONTRACTOR should request advance written approval from the COUNTY and/or applicable funding source(s) prior to incurring the expenditure.

1.2 Limitations on Payments to Affiliated Organizations or Persons (i.e., Related Party/Less-Than-Arm's-Length Transactions)

For purposes of the COUNTY Agreement, COUNTY must be solely responsible for determining affiliation unless otherwise allowed and approved by federal, State, or COUNTY agencies. Organizations or persons will be considered affiliated when one party is able to control or substantially influence the actions of the other. Affiliation includes, but is not limited to, a relationship between the CONTRACTOR and:

- An organization related through legal organization (i.e., corporation, partnership, parent company, subsidiary organization, association).
- An organization under common control through its common officers, directors, or members.
- A director, trustee, officer, or key employee, or an individual related by blood, marriage, or affinity, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest.

Prior to making payments to affiliated organizations or persons (i.e., related party/less-than-arm's-length transactions), CONTRACTOR must complete and submit to the COUNTY a disclosure statement identifying the nature of the relationship with the affiliated or related organizations/persons.

CONTRACTOR must not make payments to affiliated organizations or persons for program expenditures (e.g., salaries, services, rent) that exceed the lesser of actual costs of the affiliated or related organizations/persons or the reasonable costs for services rendered and/or items purchased. A reasonable cost is the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Payments to affiliated organizations or persons will be disallowed upon audit to the extent the payments exceed the lesser of actual costs of the affiliated or related organizations/persons or the reasonable costs (fair market value) for services rendered or items purchased.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

1.3 Unallowable Expenditures

[Uniform Guidance](#) addresses the allowability of a variety of costs. For all costs, there are certain restrictions and limitations; however, the following are examples of costs that are generally unallowable, unless expressly allowed by the COUNTY Agreement and/or the applicable funding source(s):

- Bad debts
- Bonuses, gifts, and other expenditures solely intended to improve employee morale
- Contingency provisions
- Contributions and donations
- Entertainment, social activities, and other similar expenditures (unless there is a programmatic purpose)
- Fines and penalties (e.g., Non-sufficient Funds Check Fees, Traffic Citation Fees)
- Fundraising activities
- Interest
- Losses on other awards

1.4 Depreciation

Unless otherwise approved by the COUNTY, compensation for the use of buildings, capital improvements, equipment, and software projects may be made through depreciation in accordance with the applicable sections of [Uniform Guidance](#):

- The computation of depreciation is based on the acquisition cost of the asset(s).
- The computation should exclude the cost of:
 - Land
 - Buildings and equipment donated by governmental agencies
 - Buildings and equipment contributed by the CONTRACTOR to satisfy funding matching requirements
 - Any asset acquired solely for the performance of a non-Federal award.
- For depreciation, an appropriate useful life must be established for the asset(s), which considers factors such as the type of construction, nature of the asset used, susceptibility to technological obsolescence or technological developments in the particular area, historical data, and the renewal and replacement policies followed for the assets involved, etc.
- [Appendix B to IRS Publication 946](#), "How to Depreciate Property," contains guidelines for establishing an asset's useful life.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

1.5 Rental Costs of Buildings and Equipment

Rental costs are allowable to the extent that the rates are reasonable considering rental costs of comparable property, market conditions in the area, condition of the property being leased, etc.

- Under a “sale and leaseback” arrangement, rental costs would be allowable up to the amount that would be allowed if the CONTRACTOR had continued to own the property. This amount generally includes expenditures such as depreciation, maintenance, taxes, and insurance.
- Under a “less-than-arms-length” lease, costs are only allowable up to the amount that would be allowable had title to the property vested in the CONTRACTOR. This amount generally includes expenditures such as depreciation, maintenance, taxes, and insurance.

1.6 Budget Limitation

Expenditures must not exceed the maximum limits in the COUNTY Agreement budget.

1.7 Expenditures Incurred Outside the Agreement Period

Expenditures charged against program funds may not be incurred prior to the effective date of the COUNTY Agreement or subsequent to the COUNTY Agreement termination, or expiration date. Similarly, current period expenditures related to events or activities that occurred prior to the effective date of the COUNTY Agreement may not be allowable. For example, legal costs incurred prosecuting or defending a lawsuit stemming from events which occurred during a period not covered by a valid COUNTY Agreement between CONTRACTOR and COUNTY are not allowable.

1.8 Unallowable Activities

COUNTY program funds, materials, property, or services must not be used for investments where there is a risk of loss or for the performance of any political activity, the election of any candidate, or the defeat of any candidate for public office.

1.9 Unspent Program Funds

CONTRACTOR must return any unspent program funds to the COUNTY, unless otherwise permitted by the COUNTY Agreement. In addition, the COUNTY will determine the disposition of unspent program funds upon termination of the COUNTY Agreement.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

2.0 Allocable Expenditures

For CONTRACTORS that operate programs or provide services in addition to the services required under the COUNTY Agreement, the CONTRACTOR must allocate expenditures to all benefiting programs, activities (including unallowable activities, such as fundraising and investment activities), and funding sources using an equitable basis.

In accordance with the applicable sections of [Uniform Guidance](#), CONTRACTORS must define their allocable expenditures as either direct or indirect costs (as defined below) and allocate each cost using the basis most appropriate and feasible. ***Actual conditions must be taken into account when selecting the method and/or base to be used to allocate expenditures to ensure expenditures are allocated equitably to each benefiting program, activity, and funding source.***

The CONTRACTOR must maintain documentation for allocated expenditures (e.g., timecards, time studies, calculation of full-time equivalents, square footage measurements).

Under no circumstances can allocated expenditures be charged to an extent greater than 100% of actual expenditures or the same expenditure be charged both directly and indirectly.

2.1 Direct Costs

Unless otherwise set forth in the COUNTY Agreement, or required by the applicable funding source(s), direct costs are defined as those costs that can be identified specifically with a particular final cost objective (e.g., a particular program, service, or other direct activity of an organization). Examples of direct costs include salaries and benefits of employees working on the program, supplies and other items purchased specifically for the program, costs related to space used by employees working on the program.

For all employees, other than general and administrative, the hours spent on each program (activity) should be recorded on the employees' timecards and the payroll expenditures should be treated as direct charges and distributed on the basis of the actual recorded hours spent on each program or using another equitable basis based on actual conditions.

Shared costs (i.e., costs that benefit more than one program or activity) that can be distributed in reasonable proportion to the benefits received may also be direct costs.

Examples of bases for allocating shared costs as direct costs:

- Number of direct hours spent on each program



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

- Full-time equivalents for each program
- Square footage occupied by each program
- Other relevant and equitable methods of allocation

2.2 Indirect Costs

Indirect costs are those costs that have been incurred for common or shared purposes and cannot be readily identified with a particular final cost objective. Examples of indirect costs include the salaries and benefits of executive officers and administrative personnel (e.g., accounting, human resources, information technology), depreciation and use allowances for administrative buildings, and other costs related to the general administration of the organization. Only expenditures that are allowable in accordance with the applicable sections of [Uniform Guidance](#) and any other applicable funding source(s) (i.e., federal, State, and COUNTY agencies) can be included as indirect costs and allocated to the COUNTY program(s).

Examples of bases for allocating indirect costs:

- Total direct salaries and wages.
- Total direct costs, excluding unallowable costs that do not represent an activity of the CONTRACTOR (e.g., fines, penalties, bad debts), capital expenditures, and other distorting items such as significant one-time expenditures, or subcontractor payments.
- Modified total direct costs, including all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the applicable threshold (e.g., \$25,000 (prior to October 1, 2024), \$50,000) of each subaward (regardless of the period of performance of the subawards under the award). It excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of the applicable threshold (e.g., \$25,000 (prior to October 1, 2024), \$50,000) as required by [Uniform Guidance](#).

2.3 Acceptable Indirect Cost Allocation Methods

[Uniform Guidance](#) describes the following allowable methods for allocating and charging indirect costs:

- Simplified allocation method
- Direct allocation method
- Multiple allocation base method
- Negotiated indirect cost rate
- De minimis rate



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

CONTRACTOR must ensure the indirect cost allocation methodology chosen is clearly described in their Cost Allocation Plan and is used consistently to allocate indirect costs. See [Exhibit D](#) for examples of how to allocate indirect costs using these methods.

Simplified Allocation Method

This method can be used when an organization's major functions benefit from its indirect costs to approximately the same degree. Using this method, all allocable costs are considered indirect costs and an indirect cost rate is determined by dividing total allowable indirect costs by an equitable distribution base (see [Exhibit D.1](#) for example).

Direct Allocation Method

This method can also be used when an organization's major functions benefit from its indirect costs to approximately the same degree. Using this method, all costs except general administration and general expenditures are treated as direct costs. Shared costs, such as depreciation, facility and equipment rentals, facilities maintenance, telephone, and other similar expenditures, are prorated individually to each direct activity on a basis appropriate for that type of cost.

The remaining costs, which consist exclusively of general administration and general expenditures, are then allocated using the simplified allocation method previously discussed (see [Exhibit D.2](#) for example).

Multiple Base Allocation Method

This method can be used when an organization's major functions benefit from its indirect costs in varying degrees. Using this method, indirect costs are grouped to permit allocation of each grouping on the basis of the benefits provided to the major functions. Each grouping is then allocated individually using the basis most appropriate for the grouping being allocated (see [Exhibit D.3](#) for example).

Negotiated Indirect Cost Rates

CONTRACTORS have the option of negotiating an indirect cost rate or rates for use on all their federal programs. The CONTRACTOR must submit a cost allocation plan to the federal agency with the largest dollar value of federal awards funded to the organization. The approved indirect cost rate is then applied to the total approved direct cost base (see [Exhibit D.4](#) for example).

If CONTRACTOR has a federally approved indirect cost rate, CONTRACTOR must submit a copy of the approval letter to COUNTY upon request.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

De Minimis Rate

A CONTRACTOR that does not have a current negotiated (including provisional) federally approved indirect cost rate may elect to charge indirect costs based on the applicable de minimis rate (e.g., 10% (prior to October 1, 2024), up to 15%) of modified total direct costs. If elected, this rate may be used indefinitely, but must be used consistently to charge indirect costs to all programs and activities (see [Exhibit D.5](#) for example).

2.4 Indirect Cost Limitations

CONTRACTOR must ensure indirect costs charged to the COUNTY program(s) are within any maximum limitations established by statutory requirements. Any amounts charged in excess of maximum limitations will be disallowed upon audit unless otherwise allowed and approved by the applicable federal, State, or COUNTY agency.

2.5 Cost Allocation Plan

CONTRACTOR must maintain an annual Agency-wide Cost Allocation Plan (Plan), and submit the Plan to the County if required by the COUNTY Agreement, and/or when requested by the COUNTY. The Cost Allocation Plan must be prepared in accordance with the applicable sections of [Uniform Guidance](#), and any other applicable federal, State, and COUNTY requirements (e.g., COUNTY Agreement, COUNTY instructions) and include the following information:

- CONTRACTOR's general accounting policies:
 - Fiscal year
 - Method for allocating indirect costs (e.g., simplified, direct, multiple, negotiated rate, de minimis rate)
 - Indirect cost rate allocation base (e.g., direct salaries and wages, direct costs).
- Identify the CONTRACTOR'S direct, shared, and indirect costs (by category) and describe the cost allocation methodology for each category.
- Signature of CONTRACTOR management certifying the accuracy of the plan.

3.0 Overpayments

If upon audit, or at any time during the Agreement year, it is determined that cost reports or invoices submitted to the COUNTY which were used as a basis for payments to the CONTRACTOR were inaccurate, the COUNTY may determine the total overpayment and require the CONTRACTOR to repay the COUNTY. The COUNTY may withhold payments from CONTRACTOR'S future payments unless otherwise prohibited by federal and/or State regulations.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

D. GOVERNANCE

1.0 Governance Overview

Large numbers of nonprofit corporations, organized for public benefit, receive public funds through contracts with the COUNTY. Many COUNTY service contracts support key public initiatives, including protecting children, providing health care, fostering employment, and reducing the effects of mental impairments and substance abuse.

Nonprofit organizations doing business with the COUNTY must conduct their work in a manner consistent with their charitable mission and the public purposes embodied in the COUNTY Agreement. This demands that nonprofit agency governing boards be conscious of their fiduciary responsibilities in providing proper oversight and direction, and making decisions.

1.1 Board of Directors' Requirements

Nonprofit agencies doing business with the COUNTY must have a governing board of at least three (3) directors in accordance with State law (e.g., [Sections 12331](#) and [5227](#) of [California Corporations Code](#)). At no time should more than 49% of the persons serving on the board of directors (board or directors) be "interested persons." An "interested person" includes:

- Any person currently being compensated by the CONTRACTOR for services rendered within the previous 12 months, whether as a full-or part -time employee, independent contractor, or otherwise.
- Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in law, daughter-in-law, mother-in law, or father-in law of any such person (e.g., directors, CONTRACTOR or subcontractor employees).

The majority of the directors should not have a direct or indirect material financial interest in the organization, or any other relationship that could create a conflict of interest on the part of the director(s). A financial interest may exist for reasons of business, investment, or family relationship. "Financial interest" means an actual or potential ownership, investment, or compensation arrangement in or with any entity or individual with which the organization has, or is negotiating, a transaction or arrangement.

Directors, officers, and employees of nonprofit corporations with which the COUNTY contracts must not:

- Permit or benefit from self-dealing transactions (unless permitted by law), or unreasonable compensation.
- Misuse or dissipate scarce public resources.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

Additional details regarding governance and directors' requirements are included in State Law (e.g., [California Corporations Code](#), [Section 12586 of California Government Code](#)).

1.2 Board of Directors' Fiduciary Responsibilities

All members of a nonprofit organization's governing board must perform their duties in good faith and in a manner they believe to be in the best interests of the CONTRACTOR and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. Although directors may delegate management of CONTRACTOR operations, activities, and affairs, to officers, employees, management companies, or committees, the directors are ultimately responsible for the direction and oversight of the organization. Directors' fiduciary responsibilities include, but are not limited to, the following:

- Monitoring the organization's fiscal and programmatic performance.
- Overseeing the organization's risk management, control processes, usage of funds, and protection of the organization's assets.
- Ensuring the organization's compliance with applicable federal, State, and COUNTY regulations.
- Making, reviewing, and/or approving decisions that are in the best interest of the organization (not in the best interest of any individual or other organization). For example, the board should review and approve all significant transactions (e.g., less-than-arm's length transactions, purchases of capital assets, loans, incentive compensation to the organization's management and employees).
- Recognizing and disclosing conflicts of interest.

1.3 Oversight Mechanisms

An organization's governing board must provide for its governance by:

- Adopting and disclosing the organization's governance standards, including director qualifications, responsibilities, and compensation. The standards may provide for "just and reasonable" compensation and benefits consistent with the compensation amount or guidelines established in the organization's contract(s) with the COUNTY. Compensation and benefits of directors, officers, and employees should be comparable to agencies of similar size and function (see [Section B.4.4](#), "Limitations on Positions and Salaries"). No employee may receive compensation or benefits for more than one organization job. For example, the Chief Executive Officer (CEO) cannot receive compensation or benefits for the job of CEO and another job such as program manager, etc.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

- Adopting and disclosing a code of business conduct and ethics for directors, officers, and employees, and promptly disclosing to the County any waivers (e.g., authorized exemptions, exceptions) of the code affecting organization directors, officers, or employees.
- Reviewing, no less than annually, the CONTRACTOR'S compliance with COUNTY Agreement terms and conditions/provisions (e.g., insurance, internal controls, federal and State reporting, payment requirements for payroll withholding) and report any applicable deviations to the COUNTY .

An organization's governance guidelines and code of ethics must:

- Provide for an annual process to distribute to and obtain from directors, officers and employees written acknowledgments of their adherence to the CONTRACTOR'S governing standards.
- Incorporate a mechanism for disclosing and addressing possible conflicts of interest.
- Provide appropriate record-keeping, particularly of transactions and arrangements required to be reviewed by the governing board and where significant organization resources are expended by or for officers, directors and employees.

1.4 **Board Meetings**

A CONTRACTOR'S board must meet periodically to ensure the directors' fiduciary responsibilities (see [Section D.1.2](#)) are carried out as required. It is recommended a CONTRACTOR'S board meet at least four times a year. Board members may participate in meetings using conference telephone or electronic communication. Additional details are included in State Law (e.g., [Section 5211 of California Corporations Code](#)).

Board meeting minutes must be written (or in any form capable of being converted into clearly legible tangible form), maintained for each meeting, and certified by the board secretary (or an assistant secretary/alternate) in accordance with State Law (e.g., [Sections 5215 and 6320 of California Corporations Code](#)). In addition, the meeting minutes should include:

- The names of the board members who are present and absent.
- The date and time the meeting begins and ends.
- A summary of all discussions, deliberations, and actions taken by the board.
- The names of board members making and seconding motions, and a breakdown of the votes on the motions.
- A summary of future action items/steps and who is responsible for them.



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

1.5 Audit Committee

The board must establish an audit committee when applicable in accordance and compliance with the Nonprofit Integrity Act of 2004 ([SB 1262 Chapter 919](#)) and State law (e.g., [Section 12586 of California Government Code](#)).

Annual Audit Duties

The Audit Committee:

- Is responsible for making recommendations to the board on the hiring and firing of the CONTRACTOR'S independent auditor to perform annual audits.
- Must confer with the CONTRACTOR'S independent auditor to satisfy audit committee members that the financial affairs of the CONTRACTOR are in order, review each audit and decide whether to accept it, and ensure that the COUNTY receives a copy of the annual audit report and all other audits, reviews, and other third-party reports.

Additional Audit Committee Duties

The audit committee must:

- Establish procedures for receiving and addressing complaints regarding accounting, internal controls, and auditing matters.
- Monitor and take steps to ensure proper management response to major performance or fiscal deficits, such as any material weaknesses and/or significant deficiencies identified during an audit.
- Pre-approve all audit and non-audit services provided by the auditor. Non-audit services are defined as any professional services provided other than those provided in connection with an audit or review of the financial statements of the CONTRACTOR. The following is a list of non-audit services for which the independent auditor cannot perform unless the firm follows the independence standard in the Yellow Book issued by the U.S. Comptroller General:
 - ✓ Bookkeeping or other services related to the accounting records or financial statements of the audit client
 - ✓ Financial information systems design and implementation
 - ✓ Internal audit outsourcing services
 - ✓ Management functions or human resources
 - ✓ Investment adviser or investment banking services
 - ✓ Legal services and expert services unrelated to the audit

**E. REPORTING FRAUD/MISCONDUCT**

CONTRACTORS are required to report suspected fraud, waste, or misuse of public monies, as well as misconduct involving COUNTY personnel to the Los Angeles County Fraud Hotline (Hotline). CONTRACTORS are also required to report suspected fraud committed by their employees and subcontractors when that fraud affects their Agreement with the COUNTY. Reportable conditions include, but are not limited to:

- Requests for bribes/kickbacks/gratuities.
- Favoritism/nepotism in the awarding of COUNTY Agreements, or selection of vendors.
- Embezzlement, theft, or misuse of any COUNTY funds, resources, time, equipment, or information.
- CONTRACTOR or vendor improprieties (e.g., inappropriate or unethical actions/behaviors such as unfair business practices, disregard for laws, abuse of power, corruption, etc.)

Reportable conditions must be reported to the Hotline upon their discovery by CONTRACTOR. Failure to report the types of fraud/misconduct discussed above may be grounds for contract termination.

The reporting party may remain anonymous. Reports can be made via telephone, mail, e-mail, or online to:

Online: <https://fraud.lacounty.gov/>
E-mail: fraud@auditor.lacounty.gov
Call: (213) 89-FRAUD or (213) 893-7283
Toll Free: (800) 544-6861
Fax: (213) 947-5809
U.S. Mail: County of Los Angeles
Department of Auditor-Controller
Office of County Investigations
500 West Temple Street, Suite 514
Los Angeles, CA 90012

F. RESOURCES

As noted in the introduction of this Handbook, the accounting, financial reporting, and internal control standards described in this Handbook are compiled from various federal, State, and COUNTY regulations and guidelines. The sources cited in this Handbook include, but are not limited to, those listed below. CONTRACTORS can refer to these sources for additional information and guidance on the federal, State, and COUNTY regulations and guidelines applicable to their organization (since some regulations and guidelines may not apply to every CONTRACTOR).

- Electronic Code of Federal Regulations - www.ecfr.gov
 - Uniform Guidance - <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1>
- Internal Revenue Service - www.irs.gov



AUDITOR-CONTROLLER

CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

- United States Department of Labor - www.dol.gov
 - Health Insurance Portability and Accountability Act (HIPAA) - <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/hipaa>
- The System for Award Management (SAM.gov) - <https://sam.gov>
- The Sarbanes-Oxley Act of 2002 - <https://www.govinfo.gov/content/pkg/COMPS-1883/pdf/COMPS-1883.pdf>
- Financial Accounting Standards Board - <https://fasb.org>
 - Accounting Standards Codification (including Generally Accepted Accounting Principles) - <https://asc.fasb.org>
- State of California
 - Laws (including Corporations, Government, Labor, Civil, and Welfare and Institutions Codes) - www.leginfo.ca.gov
 - Department of Justice Office of the Attorney General - www.oag.ca.gov
 - Guide for Charities - <https://oag.ca.gov/charities/guide-live>
 - Franchise Tax Board - www.ftb.ca.gov
 - Secretary of the State - www.sos.ca.gov
- COUNTY Board Policy Manual - https://library.municode.com/ca/la_county_bos/codes/board_policy
- The Committee of Sponsoring Organizations of the Treadway Commission (COSO) - www.coso.org
 - COSO sponsoring organizations:
 - The American Accounting Association - www.aaahq.org
 - The American Institute of Certified Public Accountants - www.aicpa.org
 - The Government Finance Officers Association - <https://www.gfoa.org>
 - The Financial Executives International - www.financialexecutives.org
 - The Institute of Internal Auditors - www.theiia.org
 - The Association of Accountants and Financial Professionals in Business - www.imanet.org
 - COSO's Guidance on Internal Control Integrated Framework - <https://www.coso.org/guidance-on-ic>

G. HANDBOOK ADMINISTRATION AND INQUIRIES

This Handbook is intended to be a continual work in progress. Changes are made by Auditor-Controller staff on an ongoing basis. As conditions and the accumulation of changes warrant, the online version that is available to COUNTY departments and CONTRACTORS is replaced with the latest version.

COUNTY departments and CONTRACTORS may make inquiries regarding the standards and guidance described in this Handbook by completing the inquiry form linked below. All inquiry forms will be submitted to the Auditor Controller's Countywide Contract Monitoring Division. When submitting an inquiry form, please provide as much information as possible to assist in ensuring all inquiries are properly addressed.

Inquiry Form: <https://forms.office.com/q/HNDS8DL8VX>

Bank Reconciliation Example

Agency Name
Bank and Account #
For the Month Ended June 30, 202X

Balance Per Bank Statement			\$ 35,000.00
Add:	Deposit(s) in Transit		\$ 4,000.00
	Bank Service Charge (erroneously posted -- to be reversed next month)		\$ 20.00 [1]
Less:	Outstanding Checks		
	#100	\$ 1,000.00	
	#101	\$ 500.00	
	#102	\$ 500.00	\$ (2,000.00)
	Bank Posting Error (to be reversed next month)		\$ (120.00) [1]
Adjusted Bank Balance			<u>\$ 36,900.00</u>
<hr/>			
Balance Per Book			\$ 36,950.00
Less:	Bank Charges	\$ 40.00	
	Post Error	\$ 10.00	\$ (50.00) [1]
Adjusted Book Balance			<u>\$ 36,900.00</u>

Prepared by: _____ Date _____

Reviewed by: _____ Date _____

[1] Reconciling items.

Liquid Assets Log Example

Liquid Asset Disbursement/Usage Log

Type: Gift Cards to ABC, Inc. Grocery Store

January 202X

[illegible]

Liquid Asset Custodian Signature

Date _____

Liquid Asset Log Reviewer Signature

Date _____

Indirect Cost Allocation Methods Examples

D.1 - Simplified Allocation Method Example

ABC, Inc. operates two programs, uses direct salaries as their distribution base for indirect costs, and reported the following costs:

Agency-wide Indirect Costs	\$250,000
Program A Direct Salaries	\$100,000
Program B Direct Salaries	\$900,000

Step 1: Classify all costs as either direct or indirect (as indicated above).

Step 2: Calculate the indirect cost rate by dividing the total indirect costs by total direct salaries.

Indirect Costs	\$250,000	
Total Direct Salaries	\$1,000,000	= \$100,000 + \$900,000
Indirect Cost Rate	25%	= $\frac{\$250,000}{\$1,000,000}$

Step 3: Allocate indirect costs to each program by multiplying the indirect cost rate by the direct salaries for each respective program.

Indirect Costs Allocated to Program A	\$25,000	= \$100,000 x 25%
Indirect Costs Allocated to Program B	\$225,000	= \$900,000 x 25%

D.2 - Direct Allocation Method Example

ABC, Inc. operates two programs and conducts fundraising activities. The Agency uses square footage as their distribution base for shared facility rent and maintenance costs and direct costs as their distribution base for indirect costs. ABC, Inc. reported the following costs:

General Administration and General Expenses (Indirect Costs)	\$250,000
Shared Costs: Facility Rent and Maintenance	\$150,000
Program A Direct Costs	\$100,000
Program B Direct Costs	\$850,000
Fundraising Direct Costs	\$50,000

Step 1: Separate costs into three basic categories:

- General Administration and General Expenses (Indirect Costs)
- Direct Programs and Activities
- Fundraising

Step 2: Calculate the percentage of square footage occupied by each program and activity. ABC, Inc.'s facilities have a total of 4,000 square feet and the Agency determined Program A occupies 2,800 square feet, Program B occupies 1,000 square feet, and fundraising activities occupies 200 square feet, respectively.

Program A Square Footage	2,800	70%
Program B Square Footage	1,000	25%
Fundraising Square Footage	200	5%
Total Square Footage	4,000	100%

Step 3: Allocate the shared facility rent and maintenance costs based on the percentage of square footage used by each program and activity.

Shared Costs: Facility Rent and Maintenance	\$150,000	
Shared Costs Allocable to Program A	\$105,000	= \$150,000 x 70%
Shared Costs Allocable to Program B	\$37,500	= \$150,000 x 25%
Shared Costs Allocable to Fundraising	\$7,500	= \$150,000 x 5%

Step 4: Calculate the total direct costs for each program and activity by adding the direct costs to the shared costs allocated to each respective program.

Program A Direct Costs	\$100,000
+ Program A Shared Costs	\$105,000
Total Program A Direct Costs	\$205,000
Program B Direct Costs	\$850,000
+ Program B Shared Costs	\$37,500
Total Program B Direct Costs	\$887,500
Fundraising Direct Costs	\$50,000
+ Fundraising Shared Costs	\$7,500
Total Fundraising Direct Costs	\$57,500

Step 5: Calculate the indirect cost rate by dividing the total indirect costs by total direct costs.

Total Indirect Costs	\$250,000	
Total Direct Costs	\$1,150,000	= \$205,000 + \$887,500 + \$57,500
Indirect Cost Rate	21.74%	= $\frac{\$250,000}{\$1,150,000}$

Step 6: Allocate indirect costs to each program and activity by multiplying the indirect cost rate by the total direct costs for each respective program and activity.

Indirect Costs Allocable to Program A	\$44,565	= \$205,000 x 21.74%
Indirect Costs Allocable to Program B	\$192,935	= \$887,500 x 21.74%
Indirect Costs Allocable to Fundraising	\$12,500	= \$57,500 x 21.74%

D.3 - Multiple Allocation Base Method Example

ABC, Inc. operates two programs and conducts fundraising activities. The Agency uses square footage as their distribution base for indirect facilities costs and modified total costs⁽¹⁾ as their distribution base for indirect administration costs. ABC, Inc. reported the following costs:

- (1) *Modified total costs (MTC) are the modified total direct costs (MTDC) plus allocated indirect costs. MTDC includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 (effective October 1, 2024) of each subaward (regardless of the period of performance of the subawards under the award). It excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000 (effective October 1, 2024).*

Indirect Depreciation	\$100,000
Indirect Interest	\$150,000
Indirect Operation and Maintenance Expenses	\$550,000
Indirect General Administration	\$700,000
Indirect General Expenses	\$500,000
Program A Modified Total Direct Costs	\$7,250,000
Program B Modified Total Direct Costs	\$1,500,000
Fundraising Modified Total Direct Costs	\$250,000

Step 1: Establish separate indirect cost groupings based on the benefits provided to the programs and activities. The cost groupings are classified within two broad categories, "Facilities" and "Administration", and should include the following indirect cost pools:

Facilities

- Depreciation
- Interest
- Operation and Maintenance Expenses

Administration

- General Administration and General Expenses

Indirect Facilities Costs

Indirect Depreciation	\$100,000
Indirect Interest	\$150,000
Indirect Operation and Maintenance Expenses	\$550,000
Total Indirect Facilities Costs	\$800,000

Indirect Administration Costs

Indirect General Administration	\$700,000
Indirect General Expenses	\$500,000
Total Indirect Administration Costs	\$1,200,000

Step 2: Calculate the percentage of square footage occupied by each program and activity. ABC, Inc.'s facilities have a total of 10,000 square feet and the Agency determined Program A occupies 5,000 square feet, Program B occupies 2,000 square feet, fundraising activities occupies 500 square feet, and administration occupies 2,500 square feet, respectively.

Program A Square Footage	5,000	50%
Program B Square Footage	2,000	20%
Fundraising Square Footage	500	5%
Administration Square Footage	2,500	25%
Total Square Footage	10,000	100%

Step 3: Allocate "Facilities" costs to all benefiting programs and activities based on the percentage of square footage used by each program and activity.

Indirect Facilities Costs Allocated to Program A	\$400,000	= \$800,000 x 50%
Indirect Facilities Costs Allocated to Program B	\$160,000	= \$800,000 x 20%
Indirect Facilities Costs Allocated to Fundraising	\$40,000	= \$800,000 x 5%
Indirect Facilities Costs Allocated to Administration	\$200,000	= \$800,000 x 25%

Step 4: Calculate the modified total costs for each program and activity to allocate indirect administration costs by adding the MTDC to the allocated indirect costs calculated above.

Program A - MTDC	\$7,250,000
+ Indirect Facilities Costs Allocated to Program A	\$400,000
Program A - MTC	\$7,650,000
Program B - MTDC	\$1,500,000
+ Indirect Facilities Costs Allocated to Program B	\$160,000
Program B - MTC	\$1,660,000
Fundraising - MTDC	\$250,000
+ Indirect Facilities Costs Allocated to Fundraising	\$40,000
Fundraising - MTC	\$290,000
Program A - MTC	\$7,650,000
Program B - MTC	\$1,660,000
Fundraising - MTC	\$290,000
Total MTC	\$9,600,000
Program A - MTC	\$7,650,000
Program B - MTC	\$1,660,000
Fundraising - MTC	\$290,000
Total MTC	\$9,600,000

Step 5: Calculate the total indirect administration costs.

Indirect Administration Costs	\$1,200,000
+ Indirect Facilities Costs Allocated to Administration	\$200,000
Total Indirect Administration Costs	\$1,400,000

Step 6: Calculate the indirect cost rate by dividing the total administration costs by the total modified costs.

Total Administration Costs	\$1,400,000
÷ Total MTC	\$9,600,000
Indirect Cost Rate	14.58%

Step 7: Allocate "Administration" costs to all benefiting programs and activities based on modified total costs.

Indirect Administration Costs Allocated to Program A	\$1,115,625	= \$7,650,000 x 14.58%
Indirect Administration Costs Allocated to Program B	\$242,083	= \$1,660,000 x 14.58%
Indirect Administration Costs Allocated to Fundraising	\$42,292	= \$290,000 x 14.58%

D.4 - Negotiated Indirect Cost Rate Example

ABC, Inc. operates two programs and has a negotiated indirect cost rate. The negotiated indirect cost rate agreement indicates the Agency's indirect cost rate is 15% and the distribution base is total direct costs excluding capital expenditures and equipment. ABC, Inc. reported the following costs:

	Program A	Program B
Salaries	\$ 2,000,000	\$ 1,250,000
Benefits	\$ 1,100,000	\$ 400,000
Capital Expenditures	\$ -	\$ 200,000
Equipment	\$ 60,000	\$ 15,000
Travel	\$ 40,000	\$ 25,000
Materials and Supplies	\$ 60,000	\$ 35,000
Total Direct Costs	\$ 3,260,000	\$ 1,925,000

Step 1: Calculate the direct costs distribution base for each program as required by the negotiated indirect cost rate agreement.

	Program A	Program B
Salaries	\$ 2,000,000	\$ 1,250,000
Benefits	\$ 1,100,000	\$ 400,000
Travel	\$ 40,000	\$ 25,000
Materials and Supplies	\$ 60,000	\$ 35,000
Direct Costs Base ⁽¹⁾	\$ 3,200,000	\$ 1,710,000

⁽¹⁾ Direct cost base does not include capital expenditures and equipment.

Step 2: Calculate the indirect costs charged to each program by multiplying the direct costs base for each respective program by the negotiated indirect cost rate.

	Program A	Program B
Direct Cost Base	\$ 3,200,000	\$ 1,710,000
x Indirect Cost Rate	15%	15%
Indirect Costs Charged	\$ 480,000	\$ 256,500

D.5 - De Minimis Rate Example

ABC, Inc. operates two programs and reported the following direct costs:

	Program A	Program B
Salaries	\$ 750,000	\$ 100,000
Benefits	\$ 250,000	\$ 20,000
Equipment	\$ 50,000	\$ 5,500
Travel	\$ 20,000	\$ 7,000
Materials and Supplies	\$ 40,000	\$ 4,000
Rent	\$ 60,000	\$ 12,000
Total Direct Costs	\$ 1,170,000	\$ 148,500

Step 1: Calculate the modified total direct costs (MTDC)⁽¹⁾ for each program.

⁽¹⁾ MTDC includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 (effective October 1, 2024) of each subaward (regardless of the period of performance of the subawards under the award). It excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000 (effective October 1, 2024).

	Program A	Program B
Salaries	\$ 750,000	\$ 100,000
Benefits	\$ 250,000	\$ 20,000
Travel	\$ 20,000	\$ 7,000
Materials and Supplies	\$ 40,000	\$ 4,000
MTDC⁽¹⁾	\$ 1,060,000	\$ 131,000

⁽¹⁾ MTDC does not include the costs of equipment and rent.

Step 2: Calculate the indirect costs charged to each program by multiplying the MTDC for each respective program by the 15% de minimis rate (effective October 1, 2024)

	Program A	Program B
MTDC	\$ 1,060,000	\$ 131,000
x De Minimis Rate	15%	15%
Indirect Costs Charged	\$ 159,000	\$ 19,650

INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

The County of Los Angeles ("County") is committed to safeguarding the Integrity of the County systems, Data, Information and protecting the privacy rights of the individuals that it serves. This Information Security and Privacy Requirements Exhibit ("Exhibit") sets forth the County and the Contractor's commitment and agreement to fulfill each of their obligations under applicable state or federal laws, rules, or regulations, as well as applicable industry standards concerning privacy, Data protections, Information Security, Confidentiality, Availability, and Integrity of such Information. The Information Security and privacy requirements and procedures in this Exhibit are to be established by the Contractor before the Effective Date of the Contract and maintained throughout the term of the Contract.

These requirements and procedures are a minimum standard and are in addition to the requirements of the underlying base agreement between the County and Contractor (the "Contract") and any other agreements between the parties. However, it is the Contractor's sole obligation to: (i) implement appropriate and reasonable measures to secure and protect its systems and all County Information against internal and external Threats and Risks; and (ii) continuously review and revise those measures to address ongoing Threats and Risks. Failure to comply with the minimum requirements and procedures set forth in this Exhibit will constitute a material, non-curable breach of Contract by the Contractor, entitling the County, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Contract, to immediately terminate the Contract. To the extent there are conflicts between this Exhibit and the Contract, this Exhibit will prevail unless stated otherwise.

1. DEFINITIONS

Unless otherwise defined in the Contract, the definitions herein contained are specific to the uses within this exhibit.

- a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).
- b. **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.
- c. **County Information:** all Data and Information belonging to the County.
- d. **Data:** a subset of Information comprised of qualitative or quantitative values.
- e. **Incident:** a suspected, attempted, successful, or imminent Threat of unauthorized electronic and/or physical access, use, disclosure, breach, modification, or destruction of information; interference with Information Technology operations; or significant violation of County policy.
- f. **Information:** any communication or representation of knowledge or understanding such as facts, Data, or opinions in any medium or form, including electronic, textual, numerical, graphic, cartographic, narrative, or audiovisual.
- g. **Information Security Policy:** high level statements of intention and direction of an organization used to create an organization's Information Security Program as formally expressed by its top management.

- h. **Information Security Program:** formalized and implemented Information Security Policies, standards and procedures that are documented describing the program management safeguards and common controls in place or those planned for meeting the County's information security requirements.
- i. **Information Technology:** any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of Data or Information.
- j. **Integrity:** the condition whereby Data or Information has not been improperly modified or destroyed and authenticity of the Data or Information can be ensured.
- k. **Mobile Device Management (MDM):** software that allows Information Technology administrators to control, secure, and enforce policies on smartphones, tablets, and other endpoints.
- l. **Privacy Policy:** high level statements of intention and direction of an organization used to create an organization's Privacy Program as formally expressed by its top management.
- m. **Privacy Program:** A formal document that provides an overview of an organization's privacy program, including a description of the structure of the privacy program, the resources dedicated to the privacy program, the role of the organization's privacy official and other staff, the strategic goals and objectives of the Privacy Program, and the program management controls and common controls in place or planned for meeting applicable privacy requirements and managing privacy risks.
- n. **Risk:** a measure of the extent to which the County is threatened by a potential circumstance or event, Risk is typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.
- o. **Threat:** any circumstance or event with the potential to adversely impact County operations (including mission, functions, image, or reputation), organizational assets, individuals, or other organizations through an Information System via unauthorized access, destruction, disclosure, modification of Information, and/or denial of service.
- p. **Vulnerability:** a weakness in a system, application, network or process that is subject to exploitation or misuse.
- q. **Workforce Member:** employees, volunteers, and other persons whose conduct, in the performance of work for Los Angeles County, is under the direct control of Los Angeles County, whether or not they are paid by Los Angeles County. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, volunteers, and staff from third party entities who provide service to the County.

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

- a. **Information Security Program.** The Contractor must maintain a company-wide Information Security Program designed to evaluate Risks to the Confidentiality, Availability, and Integrity of the County Information covered under this Contract.

Contractor's Information Security Program must include the creation and maintenance of Information Security Policies, standards, and procedures. Information Security Policies, standards, and procedures will be communicated to all Contractor employees in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure operational effectiveness, compliance with all applicable laws and regulations, and addresses new and emerging Threats and Risks.

The Contractor must exercise the same degree of care in safeguarding and protecting County Information that the Contractor exercises with respect to its own Information and Data, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate administrative, technical, and physical security measures to preserve the Confidentiality, Integrity, and Availability of County Information.

The Contractor's Information Security Program must:

- Protect the Confidentiality, Integrity, and Availability of County Information in the Contractor's possession or control;
- Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of County Information;
- Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- Protect against accidental loss or destruction of, or damage to, County Information; and
- Safeguard County Information in compliance with any applicable laws and regulations which apply to the Contractor.

- b. **Privacy Program.** The Contractor must establish and maintain a company-wide Privacy Program designed to incorporate Privacy Policies and practices in its business operations to provide safeguards for Information, including County Information. The Contractor's Privacy Program must include the development of, and ongoing reviews and updates to Privacy Policies, guidelines, procedures and appropriate workforce privacy training within its organization. These Privacy Policies, guidelines, procedures, and appropriate training will be provided to all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies, guidelines, and procedures must be continuously reviewed and updated for effectiveness and compliance with applicable laws and regulations, and to appropriately respond to new and emerging Threats and Risks. The Contractor's Privacy Program must perform ongoing monitoring and audits of operations to identify and mitigate privacy Threats.

The Contractor must exercise the same degree of care in safeguarding the privacy of County Information that the Contractor exercises with respect to its own Information, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate privacy practices and protocols to preserve the Confidentiality of County Information.

The Contractor's Privacy Program must include:

- A Privacy Program framework that identifies and ensures that the Contractor complies with all applicable laws and regulations;
- External Privacy Policies, and internal privacy policies, procedures and controls to support the privacy program;
- Protections against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- A training program that covers Privacy Policies, protocols and awareness;
- A response plan to address privacy Incidents and privacy breaches; and
- Ongoing privacy assessments and audits.

3. PROPERTY RIGHTS TO COUNTY INFORMATION

All County Information is deemed property of the County, and the County will retain exclusive rights and ownership thereto. County Information must not be used by the Contractor for any purpose other than as required under this Contract, nor will such or any part of such be disclosed, sold, assigned, leased, or otherwise disposed of, to third parties by the Contractor, or commercially exploited or otherwise used by, or on behalf of, the Contractor, its officers, directors, employees, or agents. The Contractor may assert no lien on or right to withhold from the County, any County Information it receives from, receives addressed to, or stores on behalf of, the County. Notwithstanding the foregoing, the Contractor may aggregate, compile, and use County Information in order to improve, develop or enhance the System Software and/or other services offered, or to be offered, by the Contractor, provided that (i) no County Information in such aggregated or compiled pool is identifiable as originating from, or can be traced back to the County, and (ii) such Data or Information cannot be associated or matched with the identity of an individual alone, or linkable to a specific individual. The Contractor specifically consents to the County's access to such County Information held, stored, or maintained on any and all devices Contractor owns, leases or possesses.

4. CONTRACTOR'S USE OF COUNTY INFORMATION

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor must collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including, but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

5. SHARING COUNTY INFORMATION AND DATA

The Contractor must not share, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, County Information to a third party for monetary or other valuable consideration.

6. CONFIDENTIALITY

- a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential".
- b. **Disclosure of County Information.** The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor must notify the County's contract administrator immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.
- c. **Disclosure Restrictions of Non-Public Information.** While performing work under the Contract, the Contractor may encounter County Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings,

schematics, manuals, sealed court records, and other materials described and/or identified as “Internal Use”, “Confidential” or “Restricted” as defined in [Board of Supervisors Policy 6.104 – Information Classification Policy](#) as NPI. The Contractor must not disclose or publish any County NPI and material received or used in performance of this Contract. This obligation is perpetual.

- d. **Individual Requests.** The Contractor must acknowledge any request or instructions from the County regarding the exercise of any individual’s privacy rights provided under applicable federal or state laws. The Contractor must have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the County within seven (7) calendar days. If an individual makes a request directly to the Contractor involving County Information, the Contractor must notify the County within five (5) calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request. Similarly, if the Contractor receives a privacy or security complaint from an individual regarding County Information, the Contractor must notify the County as described in Section 14 SECURITY AND PRIVACY INCIDENTS, and the County will coordinate an appropriate response.
- e. **Retention of County Information.** The Contractor must not retain any County Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

7. CONTRACTOR EMPLOYEES

The Contractor must perform background and security investigation procedures in the manner prescribed in this section unless the Contract prescribes procedures for conducting background and security investigations and those procedures are no less stringent than the procedures described in this section.

To the extent permitted by applicable law, the Contractor must screen and conduct background investigations on all Contractor employees and Subcontractors as appropriate to their role, with access to County Information for potential security Risks. Such background investigations must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review and conducted in accordance with the law, may include criminal and financial history to the extent permitted under the law, and will be repeated on a regular basis. The fees associated with the background investigation will be at the expense of the Contractor, regardless of whether the member of the Contractor’s staff passes or fails the background investigation. The Contractor, in compliance with its legal obligations, must conduct an individualized assessment of their employees, agents, and volunteers regarding the nature and gravity of a criminal offense or conduct; the time that has passed since a criminal offense or conduct and completion of the sentence; and the nature of the access to County Information to ensure that no individual accesses County Information whose past criminal conduct poses a risk or threat to County Information.

The Contractor must require all employees, agents, and volunteers to abide by the requirements in this Exhibit, as set forth in the Contract, and sign an appropriate written Confidentiality/non-disclosure agreement with the Contractor.

The Contractor must supply each of its employees with appropriate, annual training regarding Information Security procedures, Risks, and Threats. The Contractor agrees that training will cover, but may not be limited to the following topics:

- a) **Secure Authentication:** The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.
- b) **Social Engineering Attacks:** Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.
- c) **Handling of County Information:** The proper identification, storage, transfer, archiving, and destruction of County Information.
- d) **Causes of Unintentional Information Exposure:** Provide awareness of causes of unintentional exposure of Information such as lost mobile devices, emailing Information to inappropriate recipients, etc.
- e) **Identifying and Reporting Incidents:** Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.
- f) **Privacy:** The Contractor's Privacy Policies and procedures as described in Section 2b. Privacy Program.

The Contractor must have an established set of procedures to ensure the Contractor's employees promptly report actual and/or suspected breaches of security.

8. SUBCONTRACTORS AND THIRD PARTIES

The County acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Exhibit will also apply to all Subcontractors and third parties. The Contractor or third party will be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this Exhibit, both for itself and to enable the Contractor to be and remain in compliance with its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Exhibit; and (ii) the Contractor will be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

The Contractor must obtain advanced approval from the County's Chief Information Security Officer and/or Chief Privacy Officer prior to subcontracting services subject to this Exhibit.

9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

All County Information must be rendered unusable, unreadable, or indecipherable to unauthorized individuals. Without limiting the generality of the foregoing, the Contractor will encrypt all workstations, portable devices (such as mobile, wearables, tablets,) and removable media (such as portable or removable hard disks, floppy disks, USB memory drives, CDs, DVDs, magnetic tape, and all other removable storage media) that store County Information in accordance with Federal Information Processing Standard (FIPS) 140-2 or otherwise approved by the County's Chief Information Security Officer.

The Contractor will encrypt County Information transmitted on networks outside of the Contractor's control with Transport Layer Security (TLS) or Internet Protocol Security (IPSec), at a minimum cipher strength of 128 bit or an equivalent secure transmission protocol or method approved by County's Chief Information Security Officer.

In addition, the Contractor must not store County Information in the cloud or in any other online storage provider without written authorization from the County's Chief Information Security Officer. All mobile devices storing County Information must be managed by a Mobile Device Management system. Such system must provide provisions to enforce a password/passcode on enrolled mobile devices. All workstations/Personal Computers (including laptops, 2-in-1s, and tablets) will maintain the latest operating system security patches, and the latest virus definitions. Virus scans must be performed at least monthly. Request for less frequent scanning must be approved in writing by the County's Chief Information Security Officer.

10. RETURN OR DESTRUCTION OF COUNTY INFORMATION

The Contractor must return or destroy County Information in the manner prescribed in this section unless the Contract prescribes procedures for returning or destroying County Information and those procedures are no less stringent than the procedures described in this section.

- a. **Return or Destruction.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor must (i) promptly return or destroy, at the County's option, all originals and copies of all documents and materials it has received containing County Information; or (ii) if return or destruction is not permissible under applicable law, continue to protect such Information in accordance with the terms of this Contract; and (iii) deliver or destroy, at the County's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection (i) of this Section. For all documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be returned to the County, the Contractor must provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the County. For documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be destroyed, the Contractor must provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor must return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.
- b. **Method of Destruction.** The Contractor must destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing County Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" such that the County Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the County Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated County contract manager within ten (10) days of termination or expiration of the Contract or at any time upon the County's request. On termination or expiration of this Contract, the County will return or destroy all Contractor's Information marked as confidential (excluding items licensed to the County hereunder, or that provided to the County by the Contractor hereunder), at the County's option.

11. PHYSICAL AND ENVIRONMENTAL SECURITY

All Contractor facilities that process County Information will be located in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.

All Contractor facilities that process County Information will be maintained with physical and environmental controls (temperature and humidity) that meet or exceed hardware manufacturer's specifications.

12. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

The Contractor must: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 14 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

The Contractor must have business continuity and disaster recovery plans. These plans must include a geographically separate back-up data center and a formal framework by which an unplanned event will be managed to minimize the loss of County Information and services. The formal framework includes a defined back-up policy and associated procedures, including documented policies and procedures designed to: (i) perform back-up of data to a remote back-up data center in a scheduled and timely manner; (ii) provide effective controls to safeguard backed-up data; (iii) securely transfer County Information to and from back-up location; (iv) fully restore applications and operating systems; and (v) demonstrate periodic testing of restoration from back-up location. If the Contractor makes backups to removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION), all such backups must be encrypted in compliance with the encryption requirements noted above in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

13. ACCESS CONTROL

Subject to and without limiting the requirements under Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION, County Information (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly approved by the County Project Director or Project Manager in writing; and (ii) if transferred using removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be sent via a bonded courier and protected using encryption technology designated by the Contractor and approved by the County's Chief Information Security Officer in writing. The foregoing requirements will apply to back-up media stored by the Contractor at off-site facilities.

The Contractor must implement formal procedures to control access to County systems, services, and/or Information, including, but not limited to, user account management procedures and the following controls:

- a. Network access to both internal and external networked services must be controlled, including, but not limited to, the use of industry standard and properly configured firewalls;

- b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging;
- c. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to County Information is removed in a timely manner;
- d. Applications will include access control to limit user access to County Information and application system functions;
- e. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The Contractor must record, review and act upon all events in accordance with Incident response policies set forth in Section 14 SECURITY AND PRIVACY INCIDENTS; and
- f. In the event any hardware, storage media, or removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be disposed of or sent off-site for servicing, the Contractor must ensure all County Information, has been eradicated from such hardware and/or media using industry best practices as discussed in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

14. SECURITY AND PRIVACY INCIDENTS

In the event of a Security or Privacy Incident, the Contractor must:

- a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents involving County Information, within twenty-four (24) hours of detection of the Incident. All notifications must be submitted via encrypted email and telephone.

County Chief Information Security Officer and Chief Privacy Officer email

CISO-CPO_Notify@lacounty.gov

Chief Information Security Officer:

James Thurmond

Acting Chief Information Security Officer

320 W Temple, 7th Floor

Los Angeles, CA 90012

(213) 253-5660

Thurmond@cio.lacounty.gov

Chief Privacy Officer:

Lillian Russell

Chief Privacy Officer

320 W Temple, 7th Floor

Los Angeles, CA 90012

(213) 351-5363

LRussell@ceo.lacounty.gov

Departmental Information Security Officer:

Nadeem Ahmad

Departmental Information Security Officer 12447

Imperial Hwy

Norwalk, CA 90650

(562) 345-6606

- b. Include the following Information in all notices:
 - i. The date and time of discovery of the Incident,
 - ii. The approximate date and time of the Incident,
 - iii. A description of the type of County Information involved in the reported Incident, and
 - iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
 - v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.
- c. Cooperate with the County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor must provide Information regarding the nature and consequences of the Incident that are reasonably requested by the County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.
- d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.
- e. Assist and cooperate with forensic investigators, the County, law firms, and and/or law enforcement agencies at the direction of the County to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the County on any additional disclosures that the County is required to make as a result of the Incident.
- f. Allow the County or its third-party designee at the County's election to perform audits and tests of the Contractor's environment that may include, but are not limited to, interviews of relevant employees, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Information.

Notwithstanding any other provisions in this Contract and Exhibit, The Contractor will be (i) liable for all damages and fines, (ii) responsible for all corrective action, and (iii) responsible for all notifications arising from an Incident involving County Information caused by the Contractor's weaknesses, negligence, errors, or lack of Information Security or privacy controls or provisions.

15. NON-EXCLUSIVE EQUITABLE REMEDY

The Contractor acknowledges and agrees that due to the unique nature of County Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may result in irreparable harm to the County, and therefore, that upon any such breach, the County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of Section 6 CONFIDENTIALITY will constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

16. AUDIT AND INSPECTION

- a. **Self-Audits.** The Contractor must periodically conduct audits, assessments, testing of the system of controls, and testing of Information Security and privacy procedures, including

penetration testing, intrusion detection, and firewall configuration reviews. These periodic audits will be conducted by staff certified to perform the specific audit in question at Contractor's sole cost and expense through either (i) an internal independent audit function, (ii) a nationally recognized, external, independent auditor, or (iii) another independent auditor approved by the County.

The Contractor must have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. The Contractor must provide the audit results and any corrective action documentation to the County promptly upon its completion at the County's request. With respect to any other report, certification, or audit or test results prepared or received by the Contractor that contains any County Information, the Contractor must promptly provide the County with copies of the same upon the County's reasonable request, including identification of any failure or exception in the Contractor's Information systems, products, and services, and the corresponding steps taken by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the County pursuant to this Section must be provided at no additional charge to the County.

- b. **County Requested Audits.** At its own expense, the County, or an independent third-party auditor commissioned by the County, will have the right to audit the Contractor's infrastructure, security and privacy practices, Data center, services and/or systems storing or processing County Information via an onsite inspection at least once a year. Upon the County's request the Contractor must complete a questionnaire regarding Contractor's Information Security and/or program. The County will pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Exhibit, in which case the Contractor must bear all costs of the audit; and if the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract.

Such audit will be conducted during the Contractor's normal business hours with reasonable advance notice, in a manner that does not materially disrupt or otherwise unreasonably and adversely affect the Contractor's normal business operations. The County's request for the audit will specify the scope and areas (e.g., Administrative, Physical, and Technical) that are subject to the audit and may include, but are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews, and evidence of system configuration and audit log reviews. It is understood that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. The Contractor must cooperate with the County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. This right of access will extend to any regulators with oversight of the County. The Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

When not prohibited by regulation, the Contractor will provide to the County a summary of: (i) the results of any security audits, security reviews, or other relevant audits, conducted by the Contractor or a third party; and (ii) corrective actions or modifications, if any, the Contractor will implement in response to such audits.

17. CYBER LIABILITY INSURANCE

The Contractor must secure and maintain cyber liability insurance coverage in the manner prescribed in this section unless the Contract prescribes cyber liability insurance coverage provisions and those provisions are no less stringent than those described in this section.

The Contractor must secure and maintain cyber liability insurance coverage with limits of at least \$5 Million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor must add the County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, must not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

18. PRIVACY AND SECURITY INDEMNIFICATION

In addition to the indemnification provisions in the Contract, the Contractor agrees to indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, agents, employees, and volunteers from and against any and all claims, demands liabilities, damages, judgments, awards, losses, costs, expenses or fees including reasonable attorneys' fees, accounting and other expert, consulting or professional fees, and amounts paid in any settlement arising from, connected with, or relating to:

- The Contractor's violation of any federal and state laws in connection with its accessing, collecting, processing, storing, disclosing, or otherwise using County Information;
- The Contractor's failure to perform or comply with any terms and conditions of this Contract or related agreements with the County; and/or,
- Any Information loss, breach of Confidentiality, or Incident involving any County Information that occurs on the Contractor's systems or networks (including all costs and expenses incurred by the County to remedy the effects of such loss, breach of Confidentiality, or Incident, which may include (i) providing appropriate notice to individuals and governmental authorities, (ii) responding to individuals' and governmental authorities' inquiries, (iii) providing credit monitoring to individuals, and (iv) conducting litigation and settlements with individuals and governmental authorities).

Notwithstanding the preceding sentences, the County will have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor will 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.

APPENDIX B-REQUIRED FORMS

Exhibits

1. Organization Questionnaire/Affidavit
2. Certification of Compliance
3. Request for Preference Consideration
4. Debarment History and List of Terminated Contracts
5. Community Business Enterprise (CBE) Information (Excel Worksheet)
6. Minimum Mandatory Requirements
7. Executive Summary of Background and Experience
8. Contribution and Agent Declaration Form
9. Pricing Schedule
10. Line Item Budget and Budget Narrative
11. Proposers Involvement in Litigation and Contract Compliance Difficulties
12. Declaration

REQUIRED FORMS – EXHIBIT 1
ORGANIZATION QUESTIONNAIRE/AFFIDAVIT

Bidder Name:	County Webven Number:
Address:	
Telephone Number:	Email:
Internal Revenue Service Employer Identification Number:	California Business License Number: _____
Unique Entity Identifier (UEI):	

1	Select the option that best defines your firm's business structure: <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company (LLC) Limited <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Specify)	If Corporation or Limited Liability Company (LLC): Legal Name (as stated in Articles of Incorporation): _____ State of Incorporation: Year of Incorporation: If Limited Partnership or a Sole Proprietorship: <u>Name of proprietor or managing partner:</u> If other: Specify business structure name: _____
2	Is your firm doing business under one or more DBA's? <input type="checkbox"/> Yes <input type="checkbox"/> No	Name: Country of Registration: Year became DBA:
3	Is your firm wholly/majority owned by, or a subsidiary of another firm? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, indicate name of Parent Firm and State of Incorporation. Name of Parent Firm: State of Incorporation or registration of parent firm: _____
4	Has your firm done business under other names within last five (5) years? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, indicate any other names and the year of name change. Name(s): Year(s) of Name Change:

REQUIRED FORMS – EXHIBIT 1
ORGANIZATION QUESTIONNAIRE/AFFIDAVIT

5	List names of all joint ventures, partners, subcontractors, or others having any right or interest in this contract or the proceeds thereof. If not applicable, state "NONE".	<hr/>
6	Is your firm involved in any pending acquisition or mergers? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, please provide additional information regarding the pending merger. <hr/>
7	List all names and contact information of all individuals legally authorized to commit the Bidder.	Name Title Phone Email

REQUIRED FORMS – EXHIBIT 2

CERTIFICATION OF COMPLIANCE

Bidder certifies compliance with all programs, policies, and ordinances specified below.

TITLE		REFERENCE	CERTIFICATIONS
1	Certification of No Conflict of Interest	LACC 2.180	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No
2	Familiarity with the County Lobbyist Ordinance Certification	LACC 2.160	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No
3	Zero Tolerance Policy on Human Trafficking Certification	Motion	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No
4	Compliance with Fair Chance Employment Hiring Practices Certification	Board Policy 5.250 LACC 8.300	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No
5	Charitable Contributions Certification Enter the California Registry of Charitable Trusts "CT" number and upload a copy of firm's most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586 (if applicable) Click or tap here to enter text.	Board Policy 5.065	Check the Certification below that is applicable to your company. <input type="checkbox"/> Bidder or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Bidder engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed. OR <input type="checkbox"/> Bidder or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed in this document and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts.
6	Attestation of Willingness to Consider GAIN/START Participants	Board Policy 5.050	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No Willing to provide GAIN/START participants access to employee mentoring program? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A-program not available
7	Contractor Employee Jury Service Program Certification Form & Application for Exception	LACC 2.203	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, identify exemption: <input type="checkbox"/> My business does not meet the definition of "contractor," as defined in the Program. <input type="checkbox"/> My business is a small business as defined in the Program. <input type="checkbox"/> My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program
8	Certification of Compliance with the County's Defaulted Property Tax Reduction Program	LACC 2.206	Certifies Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, identify exemption: Click or tap here to enter text.

REQUIRED FORMS – EXHIBIT 3
REQUEST FOR PREFERENCE CONSIDERATION

INSTRUCTIONS: Bidders requesting preference consideration must complete and include this form in their bid. Bidders may request consideration for one or more preference programs. **In order to qualify for preference, firm must be certified by the County of Los Angeles. Please reference your Certification Letter issued by the County to determine Federal/Non-Federal preference eligibility.**

☐ **PREFERENCE NOT REQUESTED**

OR

☐ **PREFERENCE REQUESTED (SELECT ALL THAT APPLY)**

Preference Program		Reference
<input type="checkbox"/>	Request for Local Small Business Enterprise (LSBE) Program Preference <input type="checkbox"/> Certification for Non-Federally Funded County Solicitations <input type="checkbox"/> Certification for Federally Funded County Solicitations	<u>LACC 2.204</u>
<input type="checkbox"/>	Request for Social Enterprise (SE) Program Preference <input type="checkbox"/> Certification for Non-Federally Funded County Solicitations <input type="checkbox"/> Certification for Federally Funded County Solicitations	<u>LACC 2.205</u>
<input type="checkbox"/>	Request for Disabled Veterans Business Enterprise (DVBE) Program Preference	<u>LACC 2.211</u>

Note: In no instance should any of the listed preference programs price or scoring be combined with any other County program to exceed fifteen percent (15%) in response to any county solicitation.

REQUIRED FORMS – EXHIBIT 4
DEBARMENT HISTORY AND LIST OF TERMINATED CONTRACTS

Proposer's Name: _____

1. DEBARMENT HISTORY (Check one)		YES	NO
Proposer is currently debarred by a public entity		<input type="checkbox"/>	<input type="checkbox"/>
If yes, please provide the name of the public entity:			
2. LIST OF TERMINATED CONTRACTS (Check one)		YES	NO
Proposer has contracts that have been terminated in the past three (3) years.		<input type="checkbox"/>	<input type="checkbox"/>

If yes, please list all contracts that have been terminated prior to expiration within the last three (3) years.

Service:	_____
Name of Entity:	_____
Address:	_____
Contact:	_____
Telephone:	_____
Email:	_____
Termination Date:	_____
Name/Contract No:	_____
Reason for Termination:	_____

Service:	_____
Name of Entity:	_____
Address:	_____
Contact:	_____
Telephone:	_____
Email:	_____
Termination Date:	_____
Name/Contract No:	_____
Reason for Termination:	_____

Service:	_____
Name of Entity:	_____
Address:	_____
Contact:	_____
Telephone:	_____
Email:	_____
Termination Date:	_____
Name/Contract No:	_____
Reason for Termination:	_____

Instructions for Completing EXHIBIT 5 - CBE Form

Proposer must submit Exhibit 5 - Community Business Enterprise (CBE) Information form in Excel format.

The County seeks diverse broad-based participation in its contracting and strongly encourages participation by CBEs. Complete all fields listed on form. Where a field requests number or total indicate response using numerical digits only.

Section 1: FIRM/ORGANIZATION INFORMATION	
Total Number of Employees in California	Using numerical digits, enter the total number of individuals employed by the firm in the state of California.
Total Number of Employees (including owners)	Using numerical digits, enter the total number of individuals employed by the firm regardless of location.
Race/Ethnic Composition of Firm Table	Using numerical digits, enter the make-up of Owners/Partners/Associate Partners and percentage of how ownership of the firm is distributed into the Race/Ethnic Composition categories listed in the table. Final number must total 100%.

Section 2: CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE

If the firm is currently certified as a Community Based Enterprise (CBE) by a public agency, complete the table by entering the names of the certifying Agency and placing an "X" under the appropriate CBE designation (Minority, Women, Disadvantaged, Disabled Veteran or LGBTQQ). Enter all the CBE certifications held by the firm.

Proposer acknowledges that if any false, misleading, incomplete, or deceptively unresponsive statements in connection with this proposal are made, the proposal may be rejected. The evaluation and determination in this area will be at the Director's sole judgment and their judgment will be final.

REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION

TITLE		REFERENCE			
1 FIRM/ORGANIZATION INFORMATION		The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
Total Number of Employees in California:					
Total Number of Employees (including owners):					
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American			%	%	
Hispanic/Latino			%	%	
Asian or Pacific Islander			%	%	
American Indian			%	%	
Filipino			%	%	
White			%	%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<div><input type="checkbox"/> Check if not applicable</div>				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	

REQUIRED FORMS – EXHIBIT 6

MINIMUM MANDATORY REQUIREMENTS

Proposer acknowledges and certifies that it meets and will comply with the Minimum Mandatory Requirements indicated below and as stated in Paragraph 3.0 (Minimum Mandatory Requirements), of this Request for Proposals.

No.	Minimum Mandatory Requirement(s) (M/R)	Complies with M/R	
		Yes	No
1	Bidder does not have unresolved questioned costs, as identified by the Auditor-Controller (A-C), in an amount over \$100,000, that are confirmed to be disallowed costs by the contracting County department, and remain unpaid for a period of six months or more from the date of the A-C Report, unless such disallowed costs are the subject of current good faith negotiations to resolve the disallowed costs, in the opinion of the County.	<input type="checkbox"/>	<input type="checkbox"/>
2	Bidder must have five (5) years' experience, within the last eight (8) years providing housing navigation and supportive services as outlined in Exhibit A (SOW and Attachments) of Appendix A (Contract).	<input type="checkbox"/>	<input type="checkbox"/>
3	Bidder must state their willingness to establish an administrative office or branch office in Los Angeles County by the effective date of the Contract.	<input type="checkbox"/>	<input type="checkbox"/>
4	Bid must be submitted by the bid due date and time identified in Paragraph 1.0 (Solicitation Information).	<input type="checkbox"/>	<input type="checkbox"/>

REQUIRED FORMS – EXHIBIT 7
EXECUTIVE SUMMARY OF BACKGROUND AND EXPERIENCE

Provide an executive summary of relevant background information to demonstrate the Bidder meets the minimum requirements, as stated in Paragraph 3.0 (Minimum Mandatory Requirements), and has the experience and capability to perform the required services as a corporation or other entity, as stated in Paragraph 7.6.2.1 (Bidder's Background and Experience) of this IFB. Use additional pages if required.

REQUIRED FORMS – EXHIBIT 7
EXECUTIVE SUMMARY OF BACKGROUND AND EXPERIENCE

Continued: Provide an executive summary of relevant background information to demonstrate the Bidder meets the minimum requirements, as stated in Paragraph 3.0 (Minimum Mandatory Requirements), and has the experience and capability to perform the required services as a corporation or other entity, as stated in Paragraph 7.6.2.1 (Bidder's Background and Experience) of this IFB. Use additional pages if required.

Authorized Signature

Bidder Name

Print Name and Title

Date

REQUIRED FORMS – EXHIBIT 7
EXECUTIVE SUMMARY OF BACKGROUND AND EXPERIENCE

Continued: Provide an executive summary of relevant background information to demonstrate the Bidder meets the minimum requirements, as stated in Paragraph 3.0 (Minimum Mandatory Requirements), and has the experience and capability to perform the required services as a corporation or other entity, as stated in Paragraph 7.6.2.1 (Bidder's Background and Experience) of this IFB. Use additional pages if required.

Authorized Signature

Bidder Name

Print Name and Title

Date

REQUIRED FORMS – EXHIBIT 7
EXECUTIVE SUMMARY OF BACKGROUND AND EXPERIENCE

Continued: Provide an executive summary of relevant background information to demonstrate the Bidder meets the minimum requirements, as stated in Paragraph 3.0 (Minimum Mandatory Requirements), and has the experience and capability to perform the required services as a corporation or other entity, as stated in Paragraph 7.6.2.1 (Bidder's Background and Experience) of this IFB.

Authorized Signature

Bidder Name

Print Name and Title

Date

REQUIRED FORMS – EXHIBIT 8
CONTRIBUTION AND AGENT DECLARATION FORM

This form must be completed separately by all bidders/proposers, including all prime contractors and subcontractors, and by all applicants for licenses, permits, and other entitlements for use issued by the County of Los Angeles ("County").

Pursuant to the Levine Act ([Government Code Section 84308](#)), a member of the Board of Supervisors, other elected County officials (the Sheriff, Assessor, and the District Attorney), and other County employees and/or officers ("County Officers") are disqualified and not able to participate in a proceeding involving contracts, franchises, licenses, permits and other entitlements for use if the County Officer received more than \$500 in contributions in the past 12 months from the bidder, proposer or applicant, any paid agent of the bidder, proposer, or applicant, or any financially interested participant who actively supports or opposes a particular decision in the proceeding.

State law requires you to disclose information about contributions made by you, your company, and lobbyists and agents paid to represent you. Failure to complete the form in its entirety may result in significant delays in the processing of your application and potential disqualification from the procurement or application process.

You must fully answer the applicable questions below. You ("Declarant"), or your company, if applicable, including all entities identified below (collectively, "Declarant Company") must also answer the questions below. The term "employee(s)" shall be defined as employees, officers, partners, owners, or directors of Declarant Company.

An affirmative response to any questions will not automatically cause the disqualification of your bid/proposal, or the denial of your application for a license, permit or other entitlement. However, failure to answer questions completely, in good faith, or providing materially false answers may subject a bidder/proposer to disqualification from the procurement.

This material is intended for use by bidders/proposers, including all prime contractors and subcontractors, and by all applicants for licenses, permits, and other entitlements for use issued by the County of Los Angeles and does not constitute legal advice. If you have questions about the Levine Act and how it applies to you, you should call your lawyer or contact the Fair Political Practices Commission for further guidance.

REQUIRED FORMS – EXHIBIT 8
CONTRIBUTION AND AGENT DECLARATION FORM

Complete each section below. State “none” if applicable.

A. COMPANY OR APPLICANT INFORMATION

1) Declarant Company or Applicant Name:

- a) If applicable, identify all subcontractors that have been or will be named in your bid or proposal:
- b) If applicable, variations and acronyms of Declarant Company’s name used within the past 12 months:
- c) Identify all entities or individuals who have the authority to make decisions for you or Declarant Company about making contributions to a County Officer, regardless of whether you or Declarant Company have actually made a contribution:

[IF A COMPANY, ANSWER QUESTIONS 2 - 3]

- 2) Identify only the Parent(s), Subsidiaries and Related Business Entities that Declarant Company has controlled or directed, or been controlled or directed by. “Controlled or directed” means shared ownership, 50% or greater ownership, or shared management and control between the entities.
 - a) Parent(s):
 - b) Subsidiaries:
 - c) Related Business Entities:
- 3) If Declarant Company is a closed corporation (non-public, with under 35 shareholders), identify the majority shareholder.
- 4) Identify all entities (proprietorships, firms, partnerships, joint ventures, syndicates, business trusts, companies, corporations, limited liability companies, associations, committees, and any other organization or group of persons acting in concert) whose contributions you or Declarant Company have the authority to direct or control.

REQUIRED FORMS – EXHIBIT 8
CONTRIBUTION AND AGENT DECLARATION FORM

- 5) Identify any individuals such as employees, agents, attorneys, law firms, lobbyists, and lobbying firms who are or who will act on behalf of you or Declarant Company and who will receive compensation to communicate with a County Officer regarding the award or approval of **this** contract or project, license, permit, or other entitlement for use.

*(Do **not** list individuals and/or firms who, as part of their profession, either (1) submit to the County drawings or submissions of an architectural, engineering, or similar nature, **or** (2) provide purely technical data or analysis, **and** who will not have any other type of communication with a County agency, employee, or officer.)*

- 6) If you or Declarant Company are a 501(c)(3) non-profit organization, identify the compensated officers of your organization and the compensated members of your board.

B. CONTRIBUTIONS

- 1) Have you or the Declarant Company solicited or directed your employee(s) or agent(s) to make contributions, whether through fundraising events, communications, or any other means, to a County Officer in the past 12 months? If so, provide details of each occurrence, including the date.

Date (contribution solicited, or directed)	Recipient Name (elected official)	Amount

*Please attach an additional page, if necessary.

- 2) Disclose all contributions made by you or any of the entities and individuals identified in Section A to a County officer in the past 12 months.

Date (contribution made)	Name (of the contributor)	Recipient Name (elected official)	Amount

*Please attach an additional page, if necessary.

REQUIRED FORMS – EXHIBIT 8
CONTRIBUTION AND AGENT DECLARATION FORM

C. DECLARATION

By signing this Contribution and Agent Declaration form, you (Declarant), or you and the Declarant Company, if applicable, attest that you have read the entirety of the Contribution Declaration and the statements made herein are true and correct to the best of your knowledge and belief. (Only complete the one section that applies.)

There are _____ additional pages attached to this Contribution Declaration Form.

COMPANY BIDDERS OR APPLICANTS

I, _____ (Authorized Representative), on behalf of

(Declarant Company), at which I am
employed as _____ (Title), attest that after having made or
caused to be made a reasonably diligent investigation regarding the Declarant
Company, the foregoing responses, and the explanation on the attached
page(s), if any, are correct to the best of my knowledge and belief. Further, I
understand that failure to answer the questions in good faith or providing materially
false answers may subject Declarant Company to consequences, including
disqualification of its bid/proposal or delays in the processing of the requested contract,
license, permit, or other entitlement.

**IMPORTANT NOTICE REGARDING FUTURE AGENTS AND FUTURE
CONTRIBUTIONS:**

By signing this Contribution and Agent Declaration form, you also agree that, if Declarant Company hires an agent, such as, but not limited to, an attorney or lobbyist during the course of these proceedings and will compensate them for communicating with the County about this contract, project, permit, license, or other entitlement for use, you agree to inform the County of the identity of the agent or lobbyist and the date of their hire. You also agree to disclose to the County any future contributions made to members of the County Board of Supervisors, another elected County officer (the Sheriff, Assessor, and the District Attorney), or any other County officer or employee by the Declarant Company, or, if applicable, any of the Declarant Company's proposed subcontractors, agents, lobbyists, and employees who have communicated or will communicate with the County about this contract, license, permit, or other entitlement after the date of signing this disclosure form, and within 12 months following the approval, renewal, or extension of the requested contract, license, permit, or entitlement for use.

Signature

Date

REQUIRED FORMS – EXHIBIT 8
CONTRIBUTION AND AGENT DECLARATION FORM

INDIVIDUAL BIDDERS OR APPLICANTS

I, _____, declare that the foregoing responses and the explanation on the attached sheet(s), if any, are correct to the best of my knowledge and belief. Further, I understand that failure to answer the questions in good faith or providing materially false answers may subject me to consequences, including disqualification of my bid/proposal or delays in the processing of the requested license, permit, or other entitlement.

IMPORTANT NOTICE REGARDING FUTURE AGENTS AND FUTURE CONTRIBUTIONS:

If I hire an agent or lobbyist during the course of these proceedings and will compensate them for communicating with the County about this contract, project, permit, license, or other entitlement for use, I agree to inform the County of the identity of the agent or lobbyist and the date of their hire. I also agree to disclose to the County any future contributions made to members of the County Board of Supervisors, another elected County official (the Sheriff, Assessor, and the District Attorney), or any other County officer or employee by me, or an agent such as, but not limited to, a lobbyist or attorney representing me, that are made after the date of signing this disclosure form, and within 12 months following the approval, renewal, or extension of the requested contract, license, permit, or entitlement for use.

Signature

Date

**RAPID ENGAGEMENT & HOUSING
PRICING SCHEDULE**

This Pricing Schedule contains the Contractor's hourly rate for providing all services, tasks, and deliverables provided by the Contractor pursuant to the terms and requirements of the Contract, to include costs of delivering Housing Navigation, assisting with developing education and/or career goals, and mentoring services as described in the Scope of Work (SOW).

By submission of this Bid, Bidder certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other Bidder or competitor for the purpose of restricting competition.

Name of Bidder	Hourly Rate

Date

Print Name and Title

Authorized Signature

SAMPLE LINE ITEM BUDGET SHEET

Contractor's
Name: _____

Service Category: _____ Date Prepared: _____

DIRECT COST (List each staff classification)

Payroll:	FTE*	Hourly Rate	Monthly Salary
Employee Classification	_____	\$ _____	\$ _____
Employee Classification	_____	\$ _____	\$ _____
Employee Classification	_____	\$ _____	\$ _____
Others (Please continue to list)			

Total Salaries and Wages \$ _____

*FTE = Full Time Equivalent Positions

Employee Benefits	No. of Employees	Monthly Cost per FTE
Medical Insurance	_____	\$ _____
Dental Insurance	_____	\$ _____
Life Insurance	_____	\$ _____
Other (list)	_____	\$ _____

Total Benefits \$ _____

Payroll Taxes (List all appropriate, e.g., FICA, SUI, Workers' Compensation, etc.)

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total Payroll Taxes \$ _____

Insurance (List Type/Coverage. See Part I, Subsection 6.11, of the Contract)

_____	\$ _____
_____	\$ _____
_____	\$ _____
Vehicles	\$ _____
Supplies	\$ _____
Services	\$ _____
Office Equipment	\$ _____
Telephone/Utilities	\$ _____
Other (please continue to list)	\$ _____

Total Insurance/Misc. S & S \$ _____

TOTAL DIRECT COSTS \$ _____

INDIRECT COST (List all appropriate)

General Accounting/Bookkeeping	\$ _____
Management Overhead (Specify)	\$ _____
Other (Specify)	\$ _____

TOTAL INDIRECT COSTS \$ _____

TOTAL DIRECT AND INDIRECT COST \$ _____

PROFIT (Please enter percentage: _____%) \$ _____

TOTAL MONTHLY COSTS \$ _____

** Attach a List of Cost Item Narratives

GENERAL INSTRUCTIONS FOR COMPLETING YOUR BUDGET NARRATIVE

(See SAMPLE Budget Narrative Below)

All proposals must have a narrative attached to the budget providing a thorough and clear explanation of all projected line item budget costs. The narrative must follow the same sequence as the line item budget, and include an explanation of the method of allocating costs for any joint or shared budget item. All figures and compilations must be clearly explained.

GENERAL INSTRUCTIONS:

The budget is comprised of both Budget Categories and Budget Line Items.

Budget Categories are the major classifications of expense shown on the Sample Line Item Budget Sheet: Payroll, Employee Benefits, Insurance, Indirect Cost, etc.

Budget Line Items are the individual cost items within each budget category. For example, budget line items within the Payroll category are the individual positions to be funded under this Contract.

The budget narrative must provide clear and complete descriptions that: (1) explain the purpose of each budget line item; (2) how the line item is directly connected to the provision of a given service; (3) the dollar amount requested for the item; and (4) the methodology used to calculate the amount, etc. For example:

<u>BUDGET AMOUNT</u>	<u>DESCRIPTION</u>
\$12,000	Contractor's Program Manager: This position will provide administrative supervision to the Program staff on this Contract and will be responsible for administering the Contract in accordance with the Statement of Work. The total amount requested for this line item is \$12,000 (\$2,500/mo x .40 x 12 months).

The methodology in the above example is calculated by multiplying each item, from left to right, as follows:

Monthly Salary (Total Monthly Salary for this Position)	Percent of Time (Allocated to Work on this Contract)	Number of Months (Allocated to Work on this Contract)
\$2,500	40%	12

The Budget Narrative must include all of the proposed budget line items within that budget category. For example, the narrative for "Payroll" or "Salaries" must include a description of each position to be funded under the contract. Use the same budget categories from your actual "Line Item Budget" in writing the narrative.

PROPOSER'S INVOLVEMENT IN LITIGATION AND CONTRACT COMPLIANCE DIFFICULTIES

Check yes or no for the following questions. If answers to any of the six questions are yes, please fully explain the circumstances on a separate page, including discussion of the potential impact on the contract, if awarded.

As part of the Request for Proposals selection process, the County, in its own discretion, may implement procedures to validate the responses made below. The County reserves the right to reject all or part of the proposal if false or incorrect information is submitted by the applicant.

	YES	NO
1. Is the agency currently, or within the past seven years, involved in litigation?	_____	_____
2. Is the Chief Executive Officer currently, or within the past seven years, involved in litigation related to the administration and operation of a program or organization?	_____	_____
3. Are any agency staff members unable to be bonded?	_____	_____
4. Have there been unfavorable rulings by a funding source against the agency for improper or contract compliance deficiencies?	_____	_____
5. Has the agency or Chief Executive Officer ever had public or foundation funds withheld?	_____	_____
6. Has the agency or Chief Executive Director refused to participate in any fiscal audit or review requested by a government agency or funding source?	_____	_____

Agency's Legal Name

Authorized Signer

Signature of authorized individual

Date

REQUIRED FORMS – EXHIBIT 12

DECLARATION

DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE INFORMATION SUBMITTED IN **EXHIBITS 1 - 12** IS TRUE AND CORRECT.

PRINT NAME:	TITLE:
SIGNATURE:	DATE:

APPENDIX C, D

Appendix

- C Solicitation Requirements Review (SRR) Request
- D Background and Resources: California Charities Regulation

SOLICITATION REQUIREMENTS REVIEW (SRR) REQUEST

Proposers/Bidders requesting a Solicitation Requirements Review must submit this form to the County within the timeframe identified in the solicitation document.

Proposer/Bidder Name: Click or tap here to enter text.	Date of Request: Click or tap here to enter text.
Solicitation Title: Click or tap here to enter text.	Solicitation No.: Click or tap here to enter text.

A **Solicitation Requirements Review** is being requested because the Proposer/Bidder asserts that they are being unfairly disadvantaged for the following reason(s): *(check all that apply)*

- ☐ Application of **Minimum Mandatory Requirements**
- ☐ Application of **Business Requirements**
- ☐ Due to **unclear instructions**, the process may result in the County not receiving the best possible responses from prospective Proposers/Bidders.

For each area contested, Proposer/Bidder must explain in detail the factual reasons for the requested review. *(Attach supporting documentation and specify the underlying authority of the person or entity submitting a proposal/bid (e.g., letterhead, business card, etc.).)*

Request submitted by:

Name: [Click or tap here to enter text.](#) Title: [Click or tap here to enter text.](#)

<i>For County use only</i>
Date SRR Request: Click or tap here to enter text.
Received by County: Click or tap here to enter text.
Solicitation Released: Click or tap here to enter text.
Reviewed by: Click or tap here to enter text.

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004", as approved and codified in California Government Code, Sections 12580–12599.10, tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fund-raising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A Proposer on Los Angeles County contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following references to resources are offered to assist Proposers who engage in charitable contributions activities. Each Proposer, however, is ultimately responsible to research and determine its own legal obligations.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://oag.ca.gov/> contains much information helpful to regulated charitable organizations.

1. LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.10. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://oag.ca.gov/charities/laws>

2. SUPPORT FOR NONPROFIT ORGANIZATIONS

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 1000 N Alameda St., #250, Los Angeles, CA 90012 (213) 266-8484 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.calnonprofits.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

The above information, including the organizations listed, provided under this sub-section of this Appendix D is for informational purposes only. Information contained in this sub-section should not be construed as an endorsement by the County of Los Angeles of such organizations.